CABINET OFFICE

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FILE TITLE

FILE BEGINS 11.5.70. ENDS 15.6.71 FILE No.

INDEX HEADINGS

REFERRED TO	DATE	REFERRED TO	DATE	REFERRED TO	DATE

(1377) D. 142907 10,500 (9 sorts) 4/65 P.L. Gp. 610

TOP SECRET

FOLIO REGISTER—FILE No. 913/1 VOL 1

FOLIO	DATE	CODE REF.	BRIEF DESCRIPTION
1.	11.5.70	D/DISSEC	S/1/87 Smith/Shawen.
2	19.5.70		Sec/Hibbert – Enc (EEC)70
3	17.7.70		AS 99/1.
4.	24.7.70		JICTEL 504.
5	27.7.70	TEL JICFE 55	Chm JICFE/Sec – Brief for SEATO INTM 16. Soviets in Indian Ocean
6.	28.7.70		Bayley/PUSD.
7	28.7.70		Fenstrill/Sec JIC(FE)
8.	28.7.70		JICTEL 605.
9.	15.9.70		Thomson/Trend.
10	7.10.70		Thomson/Trend
11	13.10.70		Canberra telegram no 1143
12	14.10.70		JICTEL 788
13	5.11.70.		C/A to JC(A)(70) 43rd mtg.
14.	5.11.70		DP 36/70 (RF)
15	11.11.70	J829	The Soviet presence in the Indian Ocean area. NIC 86(70)
~~16.~~	~~16.11.70~~	~~J 829~~	~~NIC Note 4/70~~.
16.	23.11.70		Thomson/Trend
17	1.12.70		Thomson/Gifford
16a	26.11.70		Thomson/Le Bailly
18	2.12.70 2.12.70		J913/1 held in Annex Tesh/Thomson
15a	18.11.70		Thomson/Elliott
b	20.11.70.		Thomson/Elliott
16aa	25.11.		Elliott/Thomson
16b	27.11.70.		Thomson/Elliott
18a	2.12.70		Thomson/Bolland.
19	3.12.70.		Thomson/Tesh
20	3.12.70		Thomson/Hooper
21.	3.12.70		JIC(A)(70)(SEC)211
22	4.12.70		C/A to JIC(A)(70) 47th mtg min. 3
23	4.12.70	J829/2	JIC(NZ)(70) Note 4 (October 1970)
24.	9.12.70.		Telegram No 3647
25	10.12.70		C/A JIC(A)(70) 48th mtg.
26	11.12.70		Moon/Marbury
27.	17.12.70.		Extract from JIC(A)(70) 49th mtg.
28.	22.12.70.		No 4615/70 Waters/Sec.
23a	8.12.70		Tesh/Thomson

10672 Demand 388321 2m 1/70 CHC 696

~~A/SEC/A.~~

See Minutes.

JIC(A) Depts & Agencies.

Intelligence Requirements & Coverage of Soviet Activity in the Indian Ocean Area.

1. JIC(A)(SEC)70. of 20th April issued an interim Report on the above subject which was approved by JIC(A) at their 15th Meeting. The Report recommended ~~instructed~~ that the working party should reconvene before the end of the year to consider developments.

2. I should be grateful if Departments & Agencies could now Report on developments in ~~the intelligence gap coverage of~~ the Requirements & coverage which have taken place since ~~the approval of the~~ April

~~interim report~~, addressing themselves particularly to those aspects of the problem which were described in the interim report.

3. Q: When Departmental + Agency submissions have been studied a ~~[illegible]~~ ~~[illegible]~~ draft report will be compiled if appropriate, ~~[illegible]~~ fresh, for the consideration of the Working Party ~~[illegible]~~ ~~in preparation for~~ and ultimately of JIC(A)

4. Submissions are requested before close of play on 21st December.

FOLIO REGISTER—FILE No.

FOLIO	DATE	CODE REF.	BRIEF DESCRIPTION
27a.	17.12.70.		FCO/Certain Posts Telegram no 229
27b	18.12.70		Ottawa/FCO. Telno 1564.
29	7.1.71.		Thomson/Crawford.
26a	11.12.70		Aide Memoire
~~30~~	~~22.1.71~~		
30	12.1.71.		JIC(A)(71)(SA 4.
31.	13.1.71.		Telno 53.
32.	15.1.71.		C/A to JIC(A)(70) 2nd mtg.
33.	20.1.71.		Telno 90.
34.	20.1.71.		JICTEL 063.
35.	21.1.71.		JIC(A)(71)(SA)7.
36.	22.1.71		10/19 Rosa/Thomson.
37	27.1.71		White/Dunnett. Destroyed B. Stewart.
38	3.2.71		Thomson/Hudson
39	8.2.71		Tesh/Thomson
40	17.2.71	10/3	Brehony (Aden) Ash
41	8.3.71	D/DISSEC 20/2/2	Davies/Sec
42	11.3.71		Extract from JIC(A)(71)10th mtg.
26b	14.12.70		JIC(A)(70)(Sec)219
27c	18.12.70		Background paper no b.
43	7.5.71	46	O'Leary/Sir Philip Adams
44	25.5.71	291	Thomson/Hudson
45.	9.6.71.	588.	Brehony/Ash.
46	15.6.71	780	Tesh/Adams

10672 Demand 388321 2m 1/70 CHC 696

S E C R E T

Foreign and Commonwealth Office

London S.W.1

15 June, 1971

Sir P Adams
CABINET OFFICE

INDIAN OCEAN

Would you please refer to my letter DP 15/530/1 of 3 June.

2. I enclose a copy of the paper on "Possible Candidates for Bilateral Discussion about Security in the Indian Ocean" as cleared within the Office.

3. I am sending copies of this letter and enclosure to the recipients of my letter under reference.

(R M Tesh)
Defence Department

c.c.
P T E England, AUS (DS), MOD.
Major General J H S Read, ACDS (Pol) MOD.
J A Thomson, Assessments Staff, CABINET OFFICE.

S E C R E T

GEN 30

INDIAN OCEAN DEFENCE

POSSIBLE CANDIDATES FOR BILATERAL DISCUSSION

ABOUT SECURITY IN THE INDIAN OCEAN

Malaysia

The Malaysian Government informed the Commonwealth Secretary-General on 9 March that they had decided to withdraw from the Commonwealth Study Group on the Indian Ocean on account of the British Government's decision to supply Wasp helicopters to South Africa before the Study Group had completed its work. This decision was strongly deprecated by the Malaysian High Commission in London. During discussions with the Foreign and Commonwealth Secretary in London on 23 April, however, Tun Razak, the Malaysian Prime Minister, said that Malaysia would be happy to have further discussions on the Indian Ocean question, if this could be dealt with quite separately from the sale of arms to South Africa, which was an emotional issue in Malaysia and elsewhere. He suggested that perhaps the old Study Group might be forgotten and an entirely new one with fresh membership and terms of reference confined to Indian Ocean security set up.

Singapore

Lee Kuan Yew regards current Soviet interest in the Indian Ocean and surrounding areas, and consequently their

growing naval presence there, as a present and quite natural fact of life. He may possibly regard a suggestion that we should hold bilateral or multilateral talks about the Soviet threat in the Indian Ocean as an attempt to put further pressure on him over the possible grant of facilities to Soviet ships at Singapore, about which he has promised full consultation with HMG before any final decision is taken. Bilateral talks on the security threat in the Indian Ocean are unlikely to influence Singapore's future policy about facilities for Soviet ships in Singapore, which will be largely determined by commercial motives and a shrewd apprehension of what Singapore's partners in the Five Power Defence Arrangements will tolerate. Such talks may, however, be useful in helping convince Mr. Lee Kuam Yew that there are strong practical grounds for Anglo-South African maritime co-operation in defence of the sea routes around the Cape.

Indonesia

The Indonesian Government have expressed concern to the Embassy at Djakarta about the reported interest of the Soviet Union in obtaining facilities for Soviet ships at Singapore. They are a possible candidate for bilateral talks about the Soviet naval threat in the Indian Ocean, but would not wish these to be public because their foreign policy professes non-alignment and they would not want to worsen their present cool relations with the USSR.

Australia/New Zealand

Britain, Australia and New Zealand have undertaken to co-operate through the ANZAM organisation with regard to naval control of shipping in wartime in the eastern Indian Ocean for the purposes of the Radcliffe/Collins Agreement - signed in 1951 by Australia on behalf of the ANZAM powers with the United States. The ANZUK Naval Component Commander will take over Commander Far East Fleet's present responsibilities with regard to naval control of shipping in the South-East Asia sub-section of the ANZAM naval area on 1 November.

The area of interest of the ANZUK organisation which will replace ANZAM in July will be "the Indian and Pacific Oceans including South-East Asia". The ANZUK Chiefs of Staff will be serviced like the ANZAM COS by an ANZUK Joint Planning Committee and an ANZUK Joint Intelligence Committee. Discussion of the Soviet naval threat in the Indian Ocean with Australia and New Zealand might, therefore, appropriately take place within the existing ANZAM/ANZUK consultative framework unless it was thought desirable to project British views at political level.

Mauritius

The Mauritian Government have signed a fisheries agreement with the Soviet Union and have agreed to provide facilities for the Russians to change the crews of Soviet fishing vessels. The Russians appear to be keenly interested in a project to establish refuelling facilities at

Grand Port in Mauritius, and discussions are in progress between HMG and the Mauritian Government designed to prevent the Russians from establishing a further foothold on the island. The Mauritian Government have hitherto been relaxed in the face of Soviet activities, but some recent Russian actions may have awakened the Mauritian Prime Minister to some of the potential dangers. The Mauritian Government have publicly though not formally offered HMG the use of naval facilities in Mauritius as an alternative to Simonstown. We have no requirement for such facilities.

Madagascar

The Malagasy Government have indicated on occasions that they share British anxiety about security in the Indian Ocean, and that it is reasonable for South Africa to ask for and for Britain to supply the weapons South Africa needs for the defence of the sea routes. They have recently asked for withdrawal by an early date of the Shackleton aircraft based at Majunga for purposes of maritime reconnaissance connected with the Beira Patrol. If this can be amicably arranged there may be a residue of good feeling on which a dialogue might be built - pace the French. But it is unlikely they would be prepared to grant us any facilities. Ever since the installation of an R.A.F detachment at Majunga, they have been suspicious of the UK intention to transform it ?? into a permanent Indian Ocean base. For internal reasons, the President is also sensitive to Western presences at present.

Tanzania

Tanzania does not see the Soviet Union as a menace but [illegible] in the light of moral supporters in the struggle to liberate Southern Africa. Bilateral talks with the Tanzanians about the Soviet threat in the Indian Ocean would be [illegible] less.

Kenya

The Kenyans profess to be unimpressed by the evidence so far adduced of any threat to their sea communications, which [illegible] to them. They agreed to participate in the Commonwealth Study Group set up at Singapore [illegible] and did not publicly withdraw from the Group at the same time as Nigeria, Malaysia and India after the announcement of the sale of asp helicopters to South Africa. As soon as the [illegible] withdrew, the Kenyans regarded the Study Group as a non-issue and chose studiously not to antagonise either side or the other side by making pronouncements. The might agree to [illegible] in the future, particularly as they view with apprehension Russian influence in Somalia, Kenya's neighbour and only potential military opponent, but would be suspicious of a connection with our suspected sympathy with South Africa and intention to make further arms sales.

Uganda

The recent change of regime in Uganda has resulted in a government more favourably disposed to Britain. Nevertheless it should not be assumed that they will necessarily

support us, e.g. over further arms sales to South Africa and it may be difficult in view of her [illegible] position, to convince Uganda of the threat to our interests arising from Soviet naval deployment in the Indian Ocean.

Somalia

The Soviet Union has played a major role in building up the Somali armed forces and Russian influence in Somalia is considerable. Not a candidate for bilateral talks.

Iran

"Security in the Indian Ocean was discussed by the Foreign and Commonwealth Secretary and the Iranian Foreign Minister, Mr. Zahedi, during the CENTO Ministerial Meeting in Ankara at the end of April. Mr. Zahedi said he was in touch with the Malaysians about the matter. When our Chargé d'Affaires in Tehran on 22 May clarified a misunderstanding which Mr. Zahedi had expressed to the Foreign and Commonwealth Secretary linking Soviet interest in facilities at Singapore with the Israeli military advisory presence there, Mr. Zahedi asked for our views on the increase in possible facilities for Russian ships in the Indian Ocean. The Iranians have in recent months, aired the idea of co-operation on security between major states in the Indian Ocean area (including of course themselves). Iran is a candidate for bilateral talks, but in view of our delicate relations with her over the disputed Gulf Islands, we see advantage in postponing discussions with Iran on this subject until 19/2.

- c -

Pakistan

The Pakistan Government has at various times supported the view that the Indian Ocean should be a nuclear-free zone and that the great powers should not establish bases in the area. Unlike the Indians, the Government of President Yahya Khan has, however, shown some understanding of Her Majesty's Government's concern regarding Soviet naval activities in the Indian Ocean. The crisis in East Pakistan has placed a strain on Anglo-Pakistani relations. This strain is likely to continue for some time until a political solution has been found to the East Pakistan problem. It would not therefore be a propitious time to suggest Anglo-Pakistani bilateral talks on the Indian Ocean, particularly when Pakistan is preoccupied with internal political and economic problems. If Pakistan (also India and Ceylon) were to suggest such talks, however, we should certainly respond.

India

The Indians are aware of increased Soviet naval activity but it is the firm and frequently repeated view of the Indian Government that the Russians will not start playing an active naval role in the Indian Ocean unless Britain or the United States provoke them into doing so. The Indians reject the contention that there is a Soviet naval threat or a Western position to be defended. As a non-aligned nation enjoying good relations with the Soviet Union, India does not consider her merchant fleet in any way threatened

by the Russians. Friendship with the Soviet Union which is needed as a counterpoise to China and Pakistan is an axiom of Indian foreign policy. Although the Indians agreed to be members of the Commonwealth Study Group at Singapore in January, they made it clear on several occasions that they regarded the purpose of the Study Group as not to conduct an examination of the security threat in the Indian Ocean but as a means of bringing political pressure to bear on the British Government with regard to arms sales to South Africa. They were active in lobbying their members to withdraw from the Group as soon as the decision to permit sale of Wasp helicopters to South Africa was announced. Bilateral talks about security in the Indian Ocean with the Indians would be unlikely to have any practical result, and would most probably degenerate into a political wrangle about arms sales to South Africa. The annual Indo-British Official Talks in the autumn might, however, provide a forum for discussion of Indian Ocean security problems.

Ceylon

The Ceylon Government is firmly committed to the proposal made by Mrs. Bandaranaike at the Cairo Non-Aligned Conference in 1965 that the Indian Ocean should be declared a nuclear-free zone and an area of peace. Their general attitude to the Soviet threat in the Indian Ocean has been similar to that of the Indian Government. The Ceylon Government accepted temporary military assistance from the Soviet Government (5 MIG fighters, 1 MIG trainer, 2 helicopters,

3 Pilots and a ground staff of 60) to help quell the extreme left wing insurgency in Ceylon. Despite the promptness of British and American responses to requests from the Ceylon Government for aid in overcoming the insurgency, bilateral talks with the Ceylon Government about the security of the Indian Ocean are unlikely to result in any modification of Ceylon's existing attitude on this question.

Maldives

HMG have an agreement with the Maldivian Government which does not expire until 1986 concerning use of Gan as a staging facility for Commonwealth defence. The British High Commissioner at Colombo recently, at our request, made known to the Maldivian Ambassador our concern at the lack of consultation with us about the visit of a Soviet ship to the Maldives from December 1970 to mid-April this year to remove individual trawlers for fishery protection. The Maldivian Foreign Minister may visit Britain this autumn and if so this would provide a suitable opportunity for bilateral discussion about the security problems of the Indian Ocean.

Foreign and Commonwealth Office

14 June, 1971

45

40

Dear Arthur,

Mr Cunningham
16/6

Yours ever
Anthony

JIC Reg

E.R.

CONFIDENTIAL

44

MR HUDSON

Indian Ocean

You may like to have advance warning of the views both on substance and tactics which I formed as a result of my visit to Washington, and to which I referred in general terms in my letter of 24 May to Smedley.

2. I think we have to decide whether we want to argue with the Americans about their decision to treat the Indian Ocean area piecemeal. As they explained it to me, they found it bureaucratically too difficult to deal with the area as a whole. Thus they will deal separately with policies for the various peripheral countries, eg Ceylon, The Gulf, Somalia, but they will have an overall naval policy which will provide some tenuous connection.

3. In my view we should accept this American position. My reasons are that we are unlikely to move the Americans off it and that in practice we deal with the Indian Ocean area in exactly the same way and would find it difficult to do otherwise. Indeed, until the Assessments Staff wrote a paper early in 1970 on the subject, it barely existed for Whitehall as an area, and despite the useful work of GEN 30, we still decide our policy on Ceylon, Pakistan, etc., separately.

4. Nevertheless, I think we made useful progress with the Americans last December on the concept of the area as a whole, and despite their bureaucratic difficulties, I think they recognise this. Accordingly I believe that when we come to discuss policy with the Americans, we should propose to them that there should be an Anglo/American (?and Australian) meeting at least once a year to compare assessments and to discuss policy. The point of such a

meeting would be to draw together the traces of many Soviet actions and see what they amounted to in total and then see, in the light of this, what we should do. Otherwise we may miss the wood for the trees. I put this concept on a purely personal basis to Sonnenfeldt of the White House staff. He said he positively liked it. I would judge from Kissinger's remarks to me that he also would give it his approval.

5. The next steps in the Anglo-American exchange are, I think, likely to be -

a. the Americans give us their NISM background paper;

b. the Americans give us their naval proposals as approved by the National Security Council;

c. we send them a communication proposing dates, agenda, etc., for a talk primarily between the three navies.

In our communication at c. I suggest that we should include the proposal about annual (or more frequent) meetings as set out above. The first might take place next autumn.

6. Some of the exchanges I have seen and heard within Whitehall make me a little uncertain as to whether everybody on GEN 30 realises how fully we exchange assessments with the Americans.

The result of this regular procedure is that there is a continuous Anglo-American exchange on our assessments of the sort of problems mentioned in Tesh's recent letter to England, eg, Ceylon, Pakistan, Mauritius, etc. It would be a pity to duplicate

E.R.

the existing assessments. If anyone in the FCO or elsewhere feels that there is some point which needs assessing or re-assessing, the right procedure would be for them to ask us to undertake such an assessment. Unless the nature of the evidence precludes it, this would automatically involve consultations with the Americans. The consultations do not of course involve policy - that presumably will be discussed as it normally is. But my point is that there is no need for new machinery (apart from the annual meeting proposed above) to discuss assessments.

J A THOMSON

25 May 1971

E.R.

SECRET

43

SIR PHILIP ADAMS

cc. Mr. P.J. Hudson

J.913/1: Brief on Communist Activities in the Indian Ocean Area. held in annex

I commented to you this morning that the "updated" country notes in brief No.22 appeared to me to be sadly deficient, at least in respect of those countries around the Indian Ocean of which I have some knowledge. My feeling is they consistently give an optimistic rather than a realistic account of the situation. Instances of what I have in mind are illustrated below:-

"Tanzania (including Zanzibar)"

The note should state quite plainly that Western influence - particularly British and American - has virtually been eradicated in Tanzania; the continuing commercial and aid connection does not amount to influence. The note should also say something about Zanzibar since it professes to include that Island which, after all, occupies a key strategic position in the Indian Ocean. Zanzibar, of course, is totally outside the control of Nyerere and dominated by an extreme leftish and racialist Government. I would also question both the accuracy and the value of the statements (1) that the Chinese have not succeeded in infiltrating the Armed Forces HQ; and (2) that the Tanzanians, including Nyerere, have reservations about the Chinese. As the brief says "time will tell"; hitherto the passage of time has generally confirmed that we have completely misunderstood both the drift and the intention of Nyerere's policies and have been foolishly optimistic. So it is, I fear, with this passage.

India

I should have thought the key point is that of all external influences on the Government of India that of the Soviet Union is much the most effective - indeed it frequently appears to be the dominant influence. This is simply ignored. So is the fact that dedicated fellow travellers occupy places of the highest influence around Mrs. Gandhi.

As regards Visakhapatnam (on the Bay of Bengal) we could afford to be less coy about the possibility that the Indians would be prepared to give the Soviet Union base facilities there. There is a clear point to be drawn, in this context, from the last sentence. The Bay of Bengal really is an extraordinary place for the servicing and maintenance of "UAR" submarines (particularly when there is no Suez Canal). But since Soviet aircraft fly under Egyptian marking might not submarines do likewise, with Indian connivance?

E.R.

Malaysia

The note fails to make the point reiterated in recent K.L. telegrams and despatches that the Malaysians have increasingly and openly moved from a basically pro-Western alignment to professed non-alignment. They now make no bones about the fact that they look to the Soviet Union, Mainland China and the United States of America as arbiters of the strategic balance in their area.

Uganda

There should be at least some mention of General Amin's philosophical quarrel with the OAU leftists and extremists as an indication of the way things have been moving against the Communists in Uganda.

These are merely random illustrative points on territories where I have some experience or knowledge. However if these points are accurate the implication is that the brief gives a seriously inaccurate picture of Communist activities.

T.D. O'Leary

7 May 1971

813/1
copy on 913/1

FOLIO 4

EXTRACT from JIC(A)(71) 10th MEETING held on 11.3.71

SECRET
UK EYES ONLY

5. INDIAN OCEAN: EXCHANGE OF INTELLIGENCE WITH THE FRENCH

The Committee had before them JIC(A)(71)(SEC) 74, a request by the Ministry of Defence for authority to exchange intelligence on the Indian Ocean area with the French at a Joint Anglo-French Study Group.

MR SIMONS said that although the initiative for an exchange had originally come from the French they now seemed to be less enthusiastic: in these circumstances the Foreign and Commonwealth Office were concerned lest any over-eagerness on our part might be interpreted by the French as a desire to involve them in contentious policies related to the area, such as the South African arms issue. Unless there was great advantage to us in effecting an exchange it might therefore be preferable to await a resumption of the French initiative. It would be useful if the Ministry of Defence would consider informing the Foreign and Commonwealth Office of the subjects which were intended for discussion at the next meeting of the Joint Study Group.

THE CHAIRMAN, summing up the discussion, said that it was important that consideration of intelligence exchanges of this nature should be kept in line with general policy development. The Ministry of Defence might wish to reconsider their proposals in the light of the discussion.

The Committee -

1. Took note with approval of the Chairman's summing up.

2. Invited the Ministry of Defence to reconsider the proposal, in consultation with the Foreign and Commonwealth Office.

SECRET - UK EYES ONLY

FOLIO 41

D/DISSEC/20/2/2

Secretary JIC

ANGLO-FRENCH EXCHANGE OF INTELLIGENCE ON INDIAN OCEAN

1. The Committee will know that the Ministry of Defence conducts bi-lateral staff talks with a number of countries, including France. At the Anglo-French talks which were held in Dec 70, both sides expressed concern over the expanding Soviet influence in the Indian Ocean and its littoral countries, and the French suggested that a Joint Study Group should be formed to examine the possibilities of the two countries co-ordinating their resources in the area so as to improve the Western counter to the Soviets. The task of the Group is to produce a joint paper to the respective Departments for ratification.

2. The first meeting of the Study Group considered, inter alia, a number of matters on which co-operation might be valuable. For example, it was suggested that the Indian Ocean might be divided into areas, and responsibility for surveillance in each accorded to one or other country. It was also suggested that there should be an exchange of intelligence.

3. The discussion on intelligence exchange was confined to the possibilities of exchanging intelligence on sea and air deployments. No specific points were made, as the Group was concerned merely with defining areas for future study but, at the next meeting of the Group, which is to be in Paris on 18 Mar, a more detailed discussion will be expected, and it is possible that the French will probe for agreement to recommend an exchange of information to cover wider aspects of Soviet penetration. However, even if the discussion can be confined to purely military intelligence, the Ministry of Defence considers that, especially in the light of the Committee's previous discussion on exchanges with the French (1), the Committee will wish to consider this development and so enable instructions to be given to the DIS member of the Study Group.

4. The Ministry of Defence's present intelligence relationship with the French is confined to an annual exchange of views on military intelligence matters, and a fairly full daily exchange of Soviet naval deployments. In the latter case, the Committee will wish to note that in the Indian Ocean, Pacific and South Atlantic the French naval deployments are

(Note 1: [illegible] 8th [illegible] /consider

considerably larger than our own, and could enable them to make a valuable contribution to our knowledge of Russian movements. France also receives SACEUR's weekly Intsum (at NATO Secret level) but does not receive the NATO Intsum.

5. While fully recognising the difficulties, and while also seeing the need for a genuine quid pro quo, the Ministry of Defence feels that there might be advantage in extending the routine exchange in other ways.

6. The Ministry of Defence would be grateful if the Committee could discuss this matter at its meeting on 11 Mar.

J I DAVIES
Wing Commander
for SEC DIS

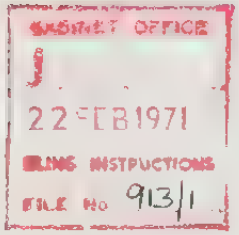
8 Mar 71

SECRET

BRITISH EMBASSY

ADEN

17 February 1971



10/3

~~W N Ash~~ Esq
JIC
Cabinet Office
London SW1

Dear Ash

1. JIC(A)(71)(SA) 7 of 21 January about Socotra is in our opinion, if I may say so, an excellent assessment.

2. It was obviously written, however, before the JIC had seen the Ambassador's letter to Acland of Arabian Department (3/1 of 12 January) dealing with Soviet aid. If you refer to this letter, you will see that we estimate the amount of Soviet economic aid at between £3½ and £4 million, not £5½ million. Also, the Five Antonov aircraft mentioned in para 2 of the JIC report belong to the South Yemen Air Force, not to the civilian airline.

3. I enclose a statement on Soviet aid to South Yemen recently made by Mr Chugunov, the Economic Counsellor of the Soviet Embassy here, which might be useful to the JIC.

4. On Socotra itself, the Governor of the First Province (who is responsible for the island's administration) has now announced that two new health units are to be set up and two new schools built. We also learn that a World Food Programme team is to visit Socotra shortly to look into the possibility of building a road (or first class track) from the airstrip at Muri (Ras Karma) westward to Qalansiya.

5. I am copying this letter, without enclosure (which goes to them separately), to the Arabian Department.

Yours ever

J A N Brehony

Enc

SECRET

Gentlemen, Comrades,

We are today celebrating the second anniversary of the signing of the agreements for economic and technical cooperation between the Soviet Union and the People's Democratic Republic of Yemen. These agreements provide for cooperation towards the development of fisheries in the Gulf of Aden and the neighbouring waters and for cultural and scientific cooperation. The agreements introduce a beginning for the development of fruitful relations in ~~ma~~ many fields between our two countries.

The Soviet Union, according to these agreements, provides assistance to the People's Democratic Republic of Yemen in ~~a~~ respect of various schemes which are important for the economy of the country and for other projects. For these purposes, the Soviet Union provided encouraging loans amounting to seven million Soviet rubels. This includes two million Rubels to cover part of the internal expenses for carrying out schemes and other works in Democratic Yemen. This is in addition to the schemes which the Soviet Union is providing free of charge as a gift to the Yemeni people.

1970 was a year of celebrations in connection with the hundredth anniversary of the birth of the great leader of the world proletariate of all working classes and the founder of the first Socialist State in the world, Vladimir Illitch Lenin. This immortal occasion was respectfully and widely celebrated in all parts of the world. Celebrations were also held in an honourable manner in your country.

One of the most important points of the principles of Lenin's ~~technique~~ teachings is the support for the progressive national liberation movement in colon~~ia~~ised countries and independent and independent young countries. This important subject in Lenin's techniques was achieved in the Soviet Union with its multi-nationalities. The remote areas of this state were semi colon~~ia~~ised before the Great Socialist October Revolution.

Since the establishment of the new socialist Russia, these areas became equal in all aspects of life. Independent Soviet Socialist Republics were established and these join the Union of Soviet Socialist Republics in an optional way.

Today, these Republics are areas with a modern developing economy, high education of a national pattern and a Socialist context. These Republics developed and they themselves now take an effective part in providing assistance to young independent countries which rid themselves of the ~~force~~ yoke of imperialism.

We do not have to go far for examples, as there are among us Soviet experts working in the People's Democratic Republic of Yemen in various fxk fields to assist this friendly country in establishing its independent national economy. In addition to Russians, there are many representatives of our national republics - Georgians, Armenians, Uzbeks, Tadzhiks, Turkmenians, Kazakhs, Kirghiz, etc.

Soviet Union economic and technical cooperation with overseas countries including the People's Democratic Republic of Yemen is an application of the Lenin foreign policy of the Soviet State. This cooperation is based on the strict law of complete equal rights of both sides, non-interference in internal affairs, respect of sovereignity and mutual interest.

1970 was a year of enormous work for the achievement of effective ee economic and technical cooperation between the Soviet Union and the People's Democratic Republic of Yemen and for the implementation of the agreements concluded two years ago. If we say that a year ago our basic discussions were about work that should be carried out xxxxxx according to these agreements, today we can say: The Soviet side fulfilled its xxxxxxxx obligations in carrying out some projects and some work and that work on the xxxxxxx remaining projects xxxxxxxx is proceeding satisfactorily.

To quench the thirst of the barren desert and to irrigate it with precious water and to xxxx give the people of Southern Yemen the opportunity to produce more cotton, cereals, vegetables and fruits, many irrigation schemes are being undertaken with the assistance of the Soviet Union and direct participation of Soviet experts. Near Lahej, in WADI ALKABIR, work on the construction of the Fuleig Dam has reached the final stage. In the same area MOGAMED DAM is being built. In the Ahwar area ALBUAB DAM x is being built . These two dams will be completed at the end of this year.

In the Lahej area five wells which were previously sunk, have been inspected by Soviet experts. They examined the wells, ascertained that there were ample supplies of water and installed Soviet pumps on the wells. All that remains now is the connection of power to the wells. Nearby, Soviet experts are sinking new wells the preliminary and explanatory work for which has been completed. The first of these wells has in fact been dug already.

So, within two months, the first dam would be working and then the five wells in question. The ~~following~~ flow of water from the wells to the farms will faster the production of additional quantities of cotton and other agricultural produce. Such development is what the an national economy of the Democratic Yemen needed. Inorder to reach this goal, the Yemeni side should prepare the irrigation network.

I wish to take the opportunity of the presence of the brother officials and representatives of the Yemen side and to appeal to them to speed up the construction of the irrigation network in question.

Soviet experts have quickly completed the topographical and hydro-geological survey in the Wadi Hadhramout in an area of [illegible] kilometers. The soviet side has, therefore, fulfilled its obligations according to the agreement in this connection. At the end of last December, the two sides agreed that similar surveys [illegible] in.

At Abwar, Lodar and Mieab, work proceeds successfully on the construction of three workshops for the maintenance of agricultural machinery. I have also to mention that these stations do not undertake the servicing of agricultural machinery only but they also offer assistance to Government farms, cooperative societies and private landlords through the hiring of its tractors and other agricultural equipment. This means the use of machinery in the fields of agruculture which will no doubt help to raise the standard of agricultural produce. At present the buildings for these stations are being constructed and the equipment for the stations are arriving regularly from the Soviet Union.

On 20th December Soviet experts started training 50 citizens in mechanics and tractor driving. In addition work is proceeding on the organisation of the veterinary and ~~cattle~~ animal breeding sections with the help of Soviet experts. Equipment and machinery for these purposes are arriving regularly from the Union of Soviet Socialist Republics. Soviet experts have familiarised themselves with conditions in respect of the various methods of ~~unusual~~ animal breeding in the country. They visited and inspected major areas where tame animals abound in large quantities. Soviet experts also [illegible] training 12 citizens for work in the sections under reference. The establishment of the veterinary and animal breeding sections will constitute the beginning of development of the country's economy on modern scientific grounds.

Your young republic took over from colonialism a difficult inheritance in the field of health and the country, therefore, suffers from an acute shortage of medical equipment and instruments and medicines For these reasons the Soviet Union is quickly bringing ~~xxxxxx~~ in medical equipment, instruments and supplies free of charge. Most of these equipment and supplied have arrived at Aden. In 1971 goods worth five hundred thousand Rubels will be imported. Consumer and other goods worth roubels 1.5 millions have also been imported from the Soviet Union to the Peoples Democratic Republic of Yemen. In 1970 consumer and other goods worth six hundred thousand rubels were delivered as part of the Soviet loan. Those goods are for sale in the internal markets and they will meet some of the internal demand in respect of ~~the~~ projects already established with the assistance of the USSR. Recently discussions were completed in connection with the new import worth eight hunfred thousand robels from the Soviet Union to the Peoples Democratic Republic of Yemen for similar purposes.

According to the Soviet-Yemeni agreement on cooperation in the field of fisheries, the Soviet scientific exploratory "Arbuz" on board the ship "Ariel" undertook during the period August 1969 to April 1970 a study of fish resources in the Gulf of Aden and in the north western part of ~~x~~ the Arabian Sea. This mission collected a lot of information and prepared a report about the result of its studies. The report contained a survey of fish and lobster concentrations in the republics territorial waters. The report confirmed the possibility of organising fishing and increasing collections in the areas where the survey was conducted particularly in the eastern part of the coast of the Peoples Democratic Republic of Yemen, by means of medium ~~xxx~~ sized vessels.

In January last year, a fisheries training and research centre was opened in Aden. Soviet instructors and scientific research experts participate in the work of this centre. Almost all of the scientific and training equipment and materials have arrived from the Soviet ~~Ux~~ Union for use in the centre. The trainees at the centre entered their ~~record~~ second year which is the final year of the training of the first batch of students. In August a ceremony was held to mark the passing out of the first batch of 32 fishermen who are now working on board boats and at cooperative societies with considerable ~~success.~~ success.

A short while ago, at the end of January, the second batch of 28 fishermen completed their training.

Soviet experts in ~~scientific~~ scientific research, are examining the

shores of the Peoples Democratic Republic of Yemen, fish concentration their species and migration. They are also studying the possibility of the use of modern fishing methods.

In April last year, ceremonies were held on the occassion of the presentation of the two Soviet vessels "Shamsan" and "Fartak" to the Government and people of the Peoples Democratic Republic of Yemen. Two Soviet teams of fishermen arrived on board these two vessels. They will work on these vessels for two years and, during their ~~ex~~ stay in the country, will train citizens of your young republic in f fishing on a productive scale. During the past months SHAMSAN AND FARTAK CAUGHT SEVENTY TONS OF VALUABLE sea products such as lobster and 270 tons of sardine in spite of some adminis-trative difficulties. At present 14 Yemeni citizens are working and training on the two vessels in question under the supervision of Soviet crew.

The Soviet Union delivered to the Democratic Yemen 70 vessel engines and various other articles for making 100 nets and 260 drifting nets These articles will help to equip and improve fishing vessels in the Republic.

For the purpose of developing Soviet Union/Yemeni cooperation in fisheries, the Yemen side made a request to the Soviet side for the establishment of a Soviet/Yemeni fishing company. This is still under consideration.

According to the scientific and cultural cooperation agreement there is in Southern Yemen a team of Soviet doctors working devotedly since October 1969. Ten of these doctors are working in Al Gamhoriya Hospital, 6 in the Mukalla Hospital. They have all gained the friendship and respect of the thousands of visitors, thanks to their knowledge, experience and humanitarianism.

Our doctors saved many patients of death and serious diseases. For example the maternity doctor "Kostrikova" saved a labouring woman by transferring her blood into that of the patient - a mother of eleven children. Surgeon Gregavoski, by using modern Soviet methods rescued from death a patient who suffered from "Pirotonit". At Al Gamhoriya Hospital Dr Setonin undertook a difficult and rare operation in the backbone of a patient and so saved him from leg paralysis. Eye doctor Frolov by a great effort brought light to eyes of a child born blind.

The Soviet Union attaches great importance to the training of local cadres of which your country is now short. It is known that there is no way of developing the national economy unless a specialist local

trainees are available. It is very clear, therefore, that the Soviet side, before everything else, gives assistance for for training in various professions and crafts which your country needs to operate and utilise the projects being established as a result of economic and technical cooperation between the U.S.S.R. and Democratic Yemen.

The Soviet Union is prepared to take 100 of the citizens of your Republic for technical and productive training and is also prepared to offer the necessary assistance for the establishment of a training centre. Soviet experts are now working in the Peoples Democratic Republic of Yemen with a view to compiling a list of professional specialists required for projects being set up by the USSR. As I mentioned, Soviet experts are in addition training Democratic Yemeni citizens in the field. I must also add that 8 dredging machine operators, 8 bulldozer drivers, 4 diesel mechanic two drilling operators and 4 planning officers have completed their training. 4 artesian well supervisers, 4 pump installation specialists, 3 diesel mechanics, 2 electricians, one electric welder, one oxygen welder, one mechanic, one topographer, one geo-physician and 4 experimental operations supervisers continue to receive training. Soviet experts in the Peoples Democratic Republic of Yemen have trained 86 Yemeni nationals and are continuing to train 18 more.

From May 1969, four Soviet pilots are working in the harbour and have piloted over 3000 ships. Port Trust officials have expressed their satisfaction with the work of these pilots and have asked for the extension of their stay in Aden.

In 1970, in response to a request by the Government of the Peoples Democratic Republic of Yemen, a team of Soviet experts especialised in economic planning were sent to help in drawing up a planning programme for economic planning development for 1971/72 - 1973/74.

Not long ago 3 Soviet teachers arrived and started working in the high college of Education in Aden.

This is the present position of economic and technical cooperation between the Soviet Union and the Peoples Democratic Republic of Yemen and such is the participation of the Soviet Union and its experts towards the achievement of this cooperation. There were of course some difficulties in this cooperation. This does not mean that there was no desire to cooperate; it was due to the lack of the necessary experience. By overcoming those difficulties, we were able to go ahead.

Here we must commend the cooperation of our colleagues the Yemenis who made a great effort, under economic difficulties facing the country, to implement the agreements and treaties concluded between our two countries. It is worthy to note that our economic and technical cooperation is progressing normally and comparatively quickly.

Finally, allow me to express my hope and confidence that the fruitful cooperation between the Soviet Union and the People's Democratic Republic of Yemen, will develop with greater success and will contribute effectively in the building of an independent national economy in your country.

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913/1

Sir [illegible]
Parliamentary [illegible]

[illegible]

[illegible]

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[illegible]

[illegible] 1971

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PARLIAMENTARY QUESTION

The draft reply should reach the Parliamentary Office through your Under Secretary by

for [ORAL] answer on Thursday 11th February

Wed Thursday 8/2

*1a. Mr. Ian Gilmour (West Lothian): To ask the Prime Minister, if he will discuss with the Administration of the Indian Ocean with President Nixon.

[illegible] Government [illegible] Government [illegible] nature of concern, including the security of the Indian Ocean.

/c.

/Why have the

[illegible]

[illegible]

[illegible] right to [illegible] whenever they so decided.

[illegible]

[illegible]. There is only a small number of contract labourers [about 90 including dependants] from the Seychelles and Mauritius engaged to work on the coconut plantations.

[If asked what will happen to the contract labourers]: Arrangements are likely to be made for the contracts to be

/terminated

[illegible]

[illegible]

The [illegible] subject [illegible] Prime Minister's visit [illegible] December [illegible], [illegible] activities in [illegible]. [illegible] Ministers to [illegible] of the [illegible] agreed [illegible] in [illegible] [illegible] at officials [illegible]. [illegible] their [illegible].

[illegible]

1. [illegible] Government [illegible] Washington [illegible] National Security Council [illegible] [illegible].

[illegible]

2. The British and United States Governments [illegible] [illegible] the Chagos Archipelago, [illegible] British Indian Ocean Territory. The facility will consist of a communications station [illegible] necessary support facilities, including an 8,000 foot airstrip. The cost of building the facility will be met by the United States. The facility will closely [illegible] the American naval communications system and will provide communications support to US and British shipping and aircraft in the Indian Ocean. Both the British and American flags will fly over the facility [illegible] the United Kingdom will provide a small number of personnel to [illegible] in the [illegible]; [illegible] is to be [illegible] between the two Governments on precisely what types and numbers of personnel the United Kingdom should provide. The facility is expected to be completed in about three years.

[illegible] /Demilitarization

[illegible]

[illegible]

[illegible] January. Mrs. [illegible] in opening the discussion followed closely the [illegible] of the Ceylonese paper, though she [illegible] to increase security in the Indian Ocean [illegible] to one [illegible]. She said that, despite assurances to the contrary, she felt that Diego Garcia might be converted to uses other than a communications link. Both the Indian and Pakistan speakers at the meeting supported the Ceylonese proposal to convert the Indian Ocean into a "peace zone". The final

[illegible]

[illegible] of [illegible] Conference [illegible] of Govern[illegible] [illegible] Ceylon [illegible] [illegible] remaining [illegible] peace [illegible].

[illegible]

[illegible] The [illegible] of Government decided [illegible] [illegible] of [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] occasional or [illegible] [illegible].

[illegible]

[illegible] The costs of [illegible] [illegible] initially [illegible] [illegible] [illegible] exceeded. [illegible] [illegible] million [illegible] the less) [illegible] by waiving certain [illegible] costs. However, [illegible] this was made [illegible] was extremely anxious that it should remain <u>secret</u> and the financial arrangements were made in such a way as to secure this. It would be embarrassing to both Governments if the secret American financial contribution was to be made public.

7. The following formula has been agreed between the US and the UK Governments for contingency use in reply to any questions about BIOT cost sharing:-

"The arrangements made with Mauritius and the

[illegible]

[illegible]

[illegible]

SECRET

BRITISH EMBASSY
WASHINGTON, D.C.

(10/19)

22 January, 1971

Dear Tom,

Indian Ocean Study

When I called on Wayne Smith today to say goodbye, I asked him about progress on the NSC study. He said that it had rather passed out of his hands, as he is now wholly engaged with the defence budget and planning, and that it was being handled mainly by Hal Saunders, with Sonnenfeldt also involved.

2. However, on checking the future programme of work, he confirmed that the revised draft is due to be taken by the NSC Review Group on 11 February. Thereafter, it will go to the NSC. Normally one would expect the latter to be about a week or ten days later so that, allowing for some slippage, we might reckon that the study should have been approved by the end of February. If this timetable is fulfilled, it should be possible for a further round of official talks to take place in March, at which we would hope to hear the definitive conclusions reached by the Americans. At that point, we should presumably have to be prepared to discuss them with practical steps we might jointly or individually contemplate taking.

3. I cannot guarantee that these dates will not slip. There are an awful lot of things going on at the moment, with the budget, the State of the Union and the Foreign Policy Message all in process of gestation. But at least it should give you something to go on in your own planning, and we will keep in touch with the White House to check progress, i.e. to confirm that the Review Group date is in fact met. I did not discuss substance, but if there are any points you want to put or questions asked, please let Anthony Elliott or Lawrence Middleton know.

Yours ever

Cecil Rose

(C. M. Rose)

J. A. Thomson, Esq.,
Cabinet Office,
London.

Reply from Thomson attached to back of this letter.

SECRET

CABINET OFFICE
LONDON S.W.1

WHITEHALL 5422

27 January 1971

Thank you for your letter of 22 January setting out the NSC time-table for the Indian Ocean Study. I have shown the letter to Sir Burke Trend and he agrees that there are no points or questions which we need to put to the Americans at present.

2. We are very grateful to you for this indication of how the Americans are getting on and we shall be similarly grateful if Anthony Elliott or Lawrence Middleton can keep us in touch with further developments.

3. I am sending a copy of this letter, together with a copy of yours, to Robert Tesh in the Foreign and Commonwealth Office.

J A THOMSON

C M Rose, Esq., CMG.,
British Embassy,
Washington DC.

SECRET

JIC(A)(71)(SA) 7 COPY NO 98

21 January 1971

CABINET

JOINT INTELLIGENCE COMMITTEE (A)

SOCOTRA

The following Special Assessment was approved by the Joint Intelligence Committee (A) at their meeting on THURSDAY 21 JANUARY 1971.

1. In this Note we take a further look at the possibility that the Russians may have a direct interest in the development of military facilities on the island of Socotra. We consider the scope of current Soviet activities in the PDRY as a whole and review the evidence relating to Soviet interest in Socotra. We also consider the likelihood of the PDRY regime acceding to any request which the Russians might put to them to use Socotra for their own purposes. We also re-examine the PDRY interest in improving the airstrip at Ras Kharma.

Russians in PDRY

2. According to our latest estimate, there are about 150 Soviet military advisers to the PDRY armed forces, about half of whom work with the Air Force in an advisory or training capacity. The armed forces are almost entirely equipped with Soviet hardware. There are thought to be an additional 70-odd Russian advisers, technical experts etc who are engaged in non-military activities. Soviet pilots fly some 5 Antonov aircraft belonging to the South Yemen civilian airline. In 1969 the Russians undertook to give South Yemen economic aid worth about £5½ million. The East Germans, who may be presumed to work closely with the Russians, have also given substantial economic aid. However, the Soviet/East German aid is smaller in scale than that promised by China which has provided a £23 million loan on generous terms.

3. There is evidence that the Russians have provided help in the surveying and the improvement of at least 5 airfields in the PDRY, ranging from the highly developed Kormaksar airport to lesser airfields such as that at Riyan, 280 miles East of Aden. The Soviet Navy seems to have enjoyed more or less unrestricted use of Aden harbour (where 4 out of 8 pilots are Russian, though the port officer is an Egyptian and the harbour-master an Indian) and Soviet transport have staged at Kormaksar, where there are considerable support facilities and a substantial number of Soviet technical personnel in residence. Soviet assistance to the PDRY appears to have been designed to meet requirements of the PDRY armed forces and government. However, the Russians have used Aden port and Kormaksar in support of their own requirements though not so far as we know the other airfields eg at Ataq and Riyan. In sum, therefore, the Russians have been able to use some facilities in the PDRY without having anything in the nature of a "base" there.

Russians in Socotra

4. Since our Assessment in JIC(A)(71)(SA) 4, we have received a fuller report from the Ambassador about his recent visit to Socotra. This does not signaficantly modify our earlier view. In sum, we think that the Russians have not established permanent military facilities on the Island, nor do we think there are any Russians permanently stationed there. We know, however, that Soviet air crews have been to the Island in the course of 1970 and that the Ras Kharma airstrip was made useable for medium and even large aircraft. There is some evidence which we are inclined to believe that the Russians provided some help in the renovation of Ras Kharma eg by surveying the airstrip. It would now be relatively easy for them from a technical point of view to use the Ras Kharma airstrip so that it could receive and service reconnaissance or even strike aircraft. If the Russians wished to use the Ras Kharma airstrip for reconnaissance flights, they would be capable of making the logistic arrangements necessary on an ad hoc basis. However, they have not yet done this, and we do not think that the Russians would attempt to use the Ras Kharma airstrip for their own purposes, whatever those might be in the future, without the agreement of the PDRY government.

5. The PDR regime has shown considerable sensitivity to suggestions that it is allowing the Russians a free hand in the country. Moreover the Government must take into account the attitude of China (their main benefactor) and all other Arab States who have shown sensitivity to

suggestions that they are becoming Soviet puppets. These considerations taken together with the regime's jealousy of their national independence, suggest that they would not easily accede to Russian demands for facilities for purely Soviet purposes. On the other hand the regime is dependent in various ways on Soviet assistance. It is strongly anti-Western and it believes that the Russians are protagonists of the Arab cause against Israel. Accordingly if the Russians were to ask for some facilities which they could plausibly link with their various programmes of assistance to PDRY, possibly to the Soviet space programme or to moves to support Arab nationalism against the West, it is possible that the Government might agree to this, especially if they were not fully aware of exactly what use the Russians were making of the facilities and of the extent to which they did in fact use them.

6. Although the combined naval/air facilities at Aden/Kormaksar are much superior to the existing facilities at Socotra, it is possible that if the Russians wished to fly reconnaissance flights over the Indian Ocean, they would prefer to operate from the latter, mainly because of the additional range which it would give their aircraft and its relative seclusion. As far as PDRY is concerned, there would probably be serious objections or, in certain circumstances referred to above, a positive willingness to grant facilities either at Kormaksar or Socotra. The latter, however, could provide only air and not naval facilities.

Reasons for improvement of the Airstrip

7. Our Embassy in Aden are inclined to discount the possibility that the Ras Kharma airstrip was improved in order to promote economic development of the island. They think it more likely that the PDRY's interest was the short-term one of improving communications with the military camp and the prison (for political prisoners) which were located there, though the military garrison was withdrawn in November following the removal of the prisoners; although 4PDRY guards have remained. It is relevant that Antonov flights to the island took place fairly regularly while the camp prison was occupied, but have become infrequent since November. This explanation, if correct, is not inconsistent with what we said about possible Soviet interest in using the airfield facilities on the island for their own purposes at some future date.

Signed W N ASH
for Secretary,
Joint Intelligence Committees

Cabinet Office, SW1

21 January 1971

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And telegraphed to -
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CABINET

JOINT INTELLIGENCE COMMITTEE (A)

CONFIDENTIAL ANNEX

JIC(A)(71) 2nd Meeting Minute 2
THURSDAY 14 JANUARY 1971 at 11.00 am

2. SOCOTRA

The Committee considered JIC(A)(71)(SA) 4, a draft special assessment on Socotra.

AIR MARSHAL SIR HAROLD MAGUIRE said that there was some danger that the assessment might be misleading and he considered that this Special Assessment was on a subject which deserved the attention of the full Committee. A further CX report had been received which gave a rather different impression: aerial photography had shown conclusively that a substantial part of one of the airstrips had been cleared. Moreover the visit to the island, which had been arranged by the government of the People's Democratic Republic of Yemen for diplomats and journalists, could well have been part of a deception exercise.

THE CHAIRMAN, summing up, said that the assessment should be reconsidered to take account of further evidence and to examine the possibility that the PDRY had been engaged in a deception exercise.

The Committee -

Instructed the Chief of Assessment Staff, in consultation with Departments, to provide a further appreciation of the Socotra situation in the light of the Committee's discussion.

Cabinet Office SW1
15 January 1971

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U.K. EYES ONLY

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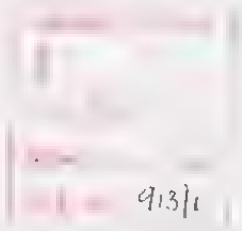
CABINET OFFICE
LONDON S.W.1



913/1

7 January 1971

Mr Middleton in the Embassy at Washington very kindly acted as my guide and note-taker during the talks on the nuclear issue which I held with the Americans last month. I now enclose full reports of the formal meetings. No records as such were made of my talks with Mr Kissinger, but these are fully reported in Washington Telegrams Nos 3647 and 3674 of 9 and 11 December respectively. These telegrams also give a summary of the proceedings in the formal meetings and of the conclusions which I drew from them. Accordingly the full records do not contain any major points of which you are not already fully aware. In this sense they are mainly of historical interest.

2. I am sending copies of this letter and its enclosures to the members of J.C(..). In addition I am sending 10 copies to MOD for distribution within the Foreign and Commonwealth Office as they may think fit, and 20 copies to DIS for the same purpose within the Ministry of Defence. Finally, I am sending a copy of this letter with 2 copies of its enclosure to Mr Middleton in Washington, with my renewed thanks for the efficient and helpful way with which he took the record and generally assisted Mr Rose and myself.

J A THOMSON

Sir Stewart Crawford, KCMG, CVO.,
Foreign and Commonwealth Office,
London S.W.1.

RECORD OF MEETING HELD IN THE EXECUTIVE OFFICES
ON TUESDAY, 8 DECEMBER, 1970

Present

Mr. J.A. Thomson
Mr. C.M. Rose
Mr. L.J. Middleton

Mr. H. Sonnenfeldt
Mr. W. Smith
Mr. R. Sanson
Mr. S. Hoskinson
Mr. J. Neubert (State Department)
Mr. B. Clarke (C.I.A.)
Mr. R. Pranger (D.O.D.)

Mr. Wayne Smith invited Mr. Thomson to start the meeting by presenting his views. Mr. Thomson said that he wished to talk about Soviet, Chinese and other communist activities in the Indian Ocean area. For the purpose of the discussion he would take the Indian Ocean area to be the sea area of the Indian Ocean together with the islands it contained and the countries bordering it from South Africa at the South-western extremity to Australia at the Southeast. It also included the Persian Gulf and the Red Sea. He proposed in particular to talk about present Russian capabilities, Russian intentions and the opportunities favourable to them which might exist or might be created. He would consider the period up to 1975. The present discussions derived from those held between the Prime Minister and the President at Chequers, where a joint study had been agreed on. He took the term "joint study" to mean that those present should look at the facts together and try to agree on them. They should then try to reach a common assessment of Russian intentions and opportunities. The Prime Minister proposed to raise the subject with the President during

/his

his forthcoming visit and would want at that time to discuss the policy issues. The present talks would serve to establish the background on which policy discussions could go forward.

2. Mr. Thomson said that the Indian Ocean had received a good deal of attention in the U.K. recently. He thought that this was because of the newness of developments there rather than that it was an area of quite exceptional importance. Recent developments were, however, worthy of a closer look and perhaps would necessitate some action.

3. Mr. Thomson said he thought that the Russian Government was presently in a confident mood. They considered themselves to be on equal terms with the U.S.A. and wanted others to see them in this light. This desire explained in part their attitude and actions in the Middle East. Their confidence was shown in their dealings with Western and Eastern Europe and with China. In spite of it they did not wish to take undue risks of a confrontation with the U.S. but in various ways they were probing Western intentions and attitudes. They were prepared to be assertive, as was demonstrated in the development of both offensive and defensive capability in the Soviet Union itself, in the development of MIRVs, in their actions in Cienfuegos, their tacit dropping of the "no foreign bases" policy and their large naval presence in the Indian Ocean and the Mediterranean.

4. In answer to a question from Mr. Sonnenfeldt, Mr. Thomson said that those developments he had listed

/were

were not necessarily part of a coherent policy. However, the assertiveness expressed in individual actions was reflective of a general Politburo attitude. He thought the Russian attitude was nearer one of conscious and systematic decision-making than of random behaviour with respect to individual problems. Mr. Sonnenfeldt suggested that the Russians were in fact going through a period in their history not unlike that of the Germans in the 19th century and of Britain in earlier centuries with respect to attempting to build up an empire. Mr. Thomson said he thought that the Russians had no territorial ambitions in the sense of trying to take over the government of India. Mr. Sonnenfeldt agreed, but said that the maintenance of fleets in the area would require calling stations.

5. Mr. Thomson continued that the primary strategic preoccupation of the Soviet Government was the defence of the homeland. There was, however, no threat to the Soviet Union from the countries bordering the Indian Ocean and there were no hostile nuclear strike forces in the Indian Ocean area. He concluded therefore that the Indian Ocean was not accorded a high priority for defence. This indicated that the Soviet naval deployments there were principally designed to increase Soviet options and to secure political gains. They wished to drive the West out of the southern part of the Arab world and check Chinese influence in Africa. They could exercise influence through naval forces in the Indian Ocean as they had through their naval forces in the Mediterranean. They might well wish to

/establish

establish bases in the Indian Ocean. He cited the possibility of a base being set up in Mauritius which the Russians might regard as a "cheaper Cuba". Except for the Soviet navy he doubted that the Russians regarded the Indian Ocean as a single area: they had different policies for different parts of it rather than an overall blueprint.

6. Mr. Sonnenfeldt questioned the evidence on which this conclusion was drawn. Mr. Thomson admitted that it was negative rather than positive. He had been able to trace nothing in Soviet writing or government pronouncements which suggested the concept of an Indian Ocean area. The Indian Ocean was in any case not a very natural unit. Mr. Sonnenfeldt suggested that this was true also of the Mediterranean. Mr. Thomson argued that the Mediterranean had always been historically looked at as a single area. The British, he said, had looked at the Indian Ocean as a unit in the 18th century because it was necessary to go round the Cape to get to India, but they had not thought of it in this way since the Suez Canal was opened.

7. Mr. Wayne Smith suggested that if the Russian navy regarded the Indian Ocean as a unit it was necessary for the West to do the same. Mr. Sonnenfeldt, on the other hand, suggested that the U.S. looked at it as an extension of the Sixth Fleet. Mr. Thomson suggested that the Russians shared this view to some extent since their activities in the Indian Ocean linked up with their activities in the Mediterranean and the Arab world. It was significant, he thought, that a high proportion of visits by Soviet ships were made in

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the Arabian Sea. On the other hand, he agreed with Mr. Sonnenfeldt that the high number of visits in this area may have been due to the fact that they were more welcome there than elsewhere.

8. Mr. Thomson suggested that the Russians were not only interested in the Arab area but saw advantage also in countering Chinese influence. He thought that they looked with particular interest at Mauritius, Aden and Somalia but had no specific plan or definite time frame. They were more likely to act in an opportunistic fashion. Their naval squadron would be used as the principal instrument to exploit Western weaknesses or to gain advantages by propaganda. In answer to a question, he said that admittedly a great deal of economic aid had been given to India and Iran, but this was not true of Mauritius or Aden. Certainly the Russians employed a variety of instruments of policy in addition to their naval squadron. However, in some areas, e.g. the Gulf, it was difficult to go far with one country without offending others, e.g. Iraq and Iran. It was, however, possible for the navy to visit ports without giving offence.

9. Mr. Hoskinson suggested there was a threshold tolerance for the Russian naval presence, especially in Iran and India. Mr. Thomson thought that this would not prevent Russian naval power building up although he thought that it might not in fact increase above the higher levels seen in 1970. He thought that the Russians would regard themselves as receiving a good dividend for the expenditure of effort at its present level.

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10. Mr. Sonnenfeldt suggested that the dividend which the Russians received from their modest naval presence was greater than could be achieved by the U.S.A. or the U.K. Mr. Thomson suggested that the Soviet fleet had some advantage in novelty. Its effect varied; it was unlikely to achieve very much in India, but it could have a considerable influence on a place like Mauritius. In that island there was an unstable social and political situation which might lead to the formation of a pro-Soviet group which might derive money and support from the Soviet Union. The development of such a group could be affected by whether or not the West tried to offset the Russian naval presence. He emphasised that he was not trying to suggest that the Soviet fleet was omnipotent but would argue that they made a difference in political terms. The Soviet fleet was only one weapon in the Soviet armoury. On the other hand, there was none which was more important. Mr. Sonnenfeldt agreed but pointed out that Cuba turned to the Soviet Union and that Allende had been successful in Chile without any Russian naval presence. He wondered why the Soviet fleet could be effective in one place and not in another. Mr. Pranger suggested that in some places there was adverse reaction to the U.S. fleet because it was associated with interventionism. Mr. Thomson suggested the effect depended on the expectations of the countries in question.

11. Mr. Sonnenfeldt asked to what extent the Soviet space programme and the associated ships deployed in the Indian Ocean were responsible for the Soviet naval

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presence. Were the Russians uncomfortable having their ships associated with the space programme unprotected? Mr. Thomson pointed out that the space associated activities antedated the Russian naval presence.

12. Mr. Wayne Smith suggested that another reason for the Soviet naval presence was that the Soviet Union wished to be in a position to monitor Chinese nuclear tests if the occasion arose and that they wished to establish their presence in the Indian Ocean at an early stage. Mr. Pranger asked whether, in Mr. Thomson's view, the Soviet military presence was primarily dictated by opportunity especially in the Arab and East African area. Mr. Thomson said he did not disagree but thought that the Russians wanted to be seen as a great power. The general Russian naval build-up had dated from 1962; the Russians would soon be in a position to fulfil satisfactorily the tasks to which they allocated priority and would then have spare capacity. They were choosing to employ some of the spare capacity in the Indian Ocean area. They expected to get political dividends, to improve their military efficiency (e.g. by learning about operations in tropical waters) and to enlarge their capacity to operate on a wider front. It was a gain for the Russians to have people become accustomed to Soviet forces in their neighbourhood. Naval power lent more weight to Soviet political representations but it did not commit them and they were free to use it or not as they wished. They might hope to exercise their influence through the naval presence to bring about a

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change in government or to keep in power governments which were favourable to them. They would expect to be better able to counter Western interests. He thought that the Russian naval presence, although small, was already the most effective in the Indian Ocean. The South Africans could not challenge them, and although the Indian navy was more numerous it was not more effective. The Australian navy could be an effective counter-weight if it moved to Cockburn Sound. Although the Soviet navy was the most effective in the area, he would not claim that it dominated it. The Soviet navy did not expect to have to fight. Mr. Pranger suggested that in fact the Russian navy was well armed and could in practice dominate the Red Sea area now if they wished. Mr. Thomson said that he thought it unlikely that the Soviet navy had been sent into the Indian Ocean without some contingency plan and accepted therefore that it must serve some military purpose. He wondered how far the Russians might believe that Polaris submarines might be deployed in the area and pointed out that they had done a great deal of surveying. The Russians were anxious to learn about the Indian Ocean as an environment for operating submarines. Mr. Pranger agreed that the reason that the force spent so much time in the northwest corner of the area was primarily political, but it also guarded certain bodies of water. Mr. Neubert said that he agreed that the Soviet Indian Ocean force had a political rather than a military purpose.

/ 13.

13. Mr. Thomson then referred to the possibility of the re-opening of the Suez Canal. If that occurred, it would be much cheaper for the Russians to operate their naval squadron, since they could service it from Alexandria; they would also be able to keep their forces at a higher peak of operational readiness and would be able to reinforce them more quickly. On the other hand, he thought it to the Russian advantage to keep the Canal closed at least for the near future, since closure of the Canal was so much to the disadvantage of the West in terms of oil supplies.

14. Mr. Neubert asked what sort of Russian force Mr. Thomson envisaged as existing in the area at the end of five years. Mr. Thomson said he had no means of knowing. As a purely personal speculation he said that the Russian naval squadron was unlikely to increase much if conditions remained the same. It might increase temporarily from time to time to get Western and other nations used to the idea of occasionally larger forces. One factor in determining the size of the Russian squadron would be the reaction of the West. The Soviet Union would probably respond to an increased Western presence by:

(i) a propaganda campaign;

(ii) by seeking better facilities for their naval air forces;

(iii) by looking for better facilities for their naval squadron, probably in Aden;

(iv) by increasing the size of the squadron.

They could of course take these steps in the absence

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of a response, but in that case it would be less urgent. The present level was cost-effective; a larger presence than they had achieved in April 1970 might be counter-productive in present circumstances.

15. Mr. Sonnenfeldt asked if the Soviet Union would decide to withdraw if measures that the West might take made the Soviet presence less cost-effective.

Mr. Thomson said that he would be surprised if there was not a regular naval squadron in the Indian Ocean for the foreseeable future. Mr. Sonnenfeldt agreed but said that this would not necessarily be the nucleus for a growing force. Mr. Hoskinson suggested that the West might be able to encourage local sentiments against bringing the cold war into the area. Mr. Thomson agreed, but suggested there was a good deal of sentiment against the Western presence also.

Mr. Sonnenfeldt saw that situation changing if there were a monopoly Russian presence. He said that he had a strong sense of the Soviet Union being on an imperialistic curve. He thought that there would continue to be growing imperialism in the Indian Ocean and elsewhere, of which naval forces would be a useful instrument. The West might perhaps lead them on to do this and thus spend money foolishly. It might divert resources which might otherwise be spent in a more dangerous fashion. He found it difficult to form a judgement of the validity of this argument and to make policy conclusions. He agreed, however, that apart from the general situation there were specific military contingencies which should be looked at.

/Mr. Wayne Smith

Mr. Wayne Smith suggested that one way of preventing the Russian force getting larger was to do nothing.

16. Mr. Clarke asked how other countries saw the Russian naval presence. Mr. Thomson said that the U.K. had not discussed this in detail with the Australians, who appeared to be preoccupied with South East Asia and their commitments in Singapore and Malaysia. The Australians were, however, concerned at the number of Russian ships in Australian waters and Mr. Lee's activities. They would not be happy if the Russians got naval facilities in Singapore. Mr. Gorton had made an election pledge to develop Cockburn Sound and he understood that it was likely to develop extensively. He thought it was likely that as the Australians looked at the problem more closely they would become more concerned about their vulnerability to naval blockade.

17. The French had spoken to the U.K. about security in the Indian Ocean. When M. Debré saw Lord Carrington recently he made the point that only Britain and France amongst the European countries had world-wide interests. Mr. Thomson thought that on the whole the French territories in the Indian Ocean were not of great interest to the Russians. Mr. Thomson said that Japan was highly dependent on oil supplies from the Gulf. He thought it was unlikely that there would be any Japanese naval force in the Indian Ocean before the latter part of the decade.

NOTES ON A MEETING HELD IN THE EXECUTIVE OFFICE BUILDING ON WEDNESDAY, DECEMBER 9 AT 2 p.m.

Present :

Mr. J.A.Thomson
Mr. C.W.Rose
Mr. I.T.Middleton
Mr. R. Sanson
Mr. S. Hoskinson
Mr. R. Bartholomew (DOD)
Mr. R. Ronsse (State Department)
Mr. B. Walters (CIA)

Mr. Sanson said that the U.S. side had studied the factual briefs given them by Mr. Thomson and had found themselves substantially in agreement with them. Mr. Thomson invited the U.S. side to forward detailed comments to him through the Embassy if there were any at a later stage.

2. It was then agreed that most of the time available might most profitably be devoted to considering individually the countries of significance with respect to the Russian presence in the area.

Fisheries

3. Mr. Sanson said that he had been struck by the reference in the U.K. briefs to the use of assistance to fishing industry as a means of exerting influence in the area. Mr. Thomson said that the development of fisheries was quite deliberate in the U.K. view. (He pointed out incidentally that he thought more countries had in fact fisheries agreements than those listed in Brief 12, paragraph 2. India and Pakistan for example had general aid agreements which also covered fisheries). The Russians had an undoubted need for protein and fishing was commercially profitable. But fishing vessels could be used for other purposes or facilities developed for genuine fishing vessels could be used for others. The simple fact of local inhabitants getting used to a Russian presence through visits by fishing vessels was of use. Mr. Walters noted that the

Soviet fishing fleet operated under Government direction and that although the present Indian Ocean catch was less than 2% of the total world wide Soviet catch, it could be the thin edge of the wedge. Mr. Hankinson remarked that the Ceylonese had recently signed a fisheries agreement with the Chinese.

Socotra

4. Mr. Thomson said the evidence was puzzling. The Russians had apparently rehabilitated the R.A.F. airstrip which would support TU16 or Bear aircraft but there were only poor naval facilities. Aden would serve Soviet purposes, both naval and air, much better. Mr. Walters agreed and pointed out that intelligence coverage of the area was very poor. More hardware was needed to improve it; he raised also the possibility of improvement through co-operation with India or Pakistan or by use of merchant fleets.

UAR

5. Mr. Thomson spoke next of his concern over developments in Egypt, of increasing Russian power of reconnaissance and especially of their potential offensive power. He thought the developments partly defensive to protect their investment in the area but it was also useful for prestige and for the extension of their options. Mr. Thomson's interpretation of recent developments was generally accepted. Mr. Thomson said he was concerned about Russian activity also in Nigeria, Sudan and Somalia. He interpreted developments in Egypt as also relating to the protection of investment in the latter countries. Mr. Walters queried the extent of Russian activity in Nigeria; it was agreed that it was low key.

Singapore

6. Mr. Thomson said that he understood that Mr. Lee had said much the same thing to the U.S. as to the U.K. There was no sign yet that a Soviet mission had arrived. The U.K. was concerned that Mr. Lee's actions might lessen Australian enthusiasm for the five power defence arrangements. There was no question, he thought, of the Russians getting facilities on the North side of the island but any facilities granted them could inhibit our operations and training.

Mauritius

7. Mr. Thomson said that the harbour at Port Louis was not overcrowded in the U.K. view but there was agitation for development of Grand Port on the other side of the island, which was apparently Soviet inspired. Although the present Government said that it would not do business with the Russians they could not be relied on. One possibility would be for the Russians to get facilities for a mother ship for trawlers which would lead on to other developments. Mr. Sanson questioned whether there was in fact a plan for progressive developments. No conclusion was reached.

PRSY

8. Mr. Thomson pointed out that the facilities left behind by the U.K. in Aden were very good. The Russians had shown a good deal of interest in S. Yemen (and a corresponding diminution of interest in Yemen). They wanted inter alia to counter the Maoist influence in S. Yemen; the instability of S. Yemen and the Yemeni dislike of foreigners were the major drawbacks to PRSY from the Russian viewpoint. However there was a quite good chance that the Russians would get all the rights they wanted over the next few years.

Ceylon

9. Mr. Thomson said it was too soon to be sure of the course which Ceylon might take. It would probably remain non-aligned and would avoid entering into commitment e.g. by the provision of naval facilities. Mrs. Bandaranaike was not in favour of naval competition in the Indian Ocean.

Persian Gulf

10. Mr. Thomson said that Iran and Iraq were 'inseparable twins'. It was difficult for the Russians to go further than they had done already without offending one or the other. The Russians were not interested in gaining a much larger share of Gulf oil. There was too much to gain control of all of it and they could not in any case pay for it. He expected the situation to continue much as it was.

Somalia and Sudan

11. Mr. Thomson said that the Russians had not got as much out of Somalia as they might have done. Russian aid might not be of much significance despite the development of Berbera. He thought the Russians were more interested in the Sudan; it was important that nothing went wrong with the new links with Libya and the UAR. He also thought that Sudan had greater economic potential than Somalia.

The U.S. side agreed that the provision of SAM 2's to Somalia had little military significance but were inclined to question the estimate of the Sudan's economic potential.

General

12. Mr. Bartholomew said he could see that the factor of naval power was large in Mauritius for example but not in Iraq or Sudan. Was its significance being overestimated?

Mr. Thomson said again that he was not trying to say that the Indian Ocean was of unique importance but Russian activity had increased; they must consider something was to be gained by this activity. Was it acceptable to the West ? What priority should be given to it and how far was the West prepared to do anything ? Obviously there was little to be done about the Russian presence in Aden but something might be done to show the peoples in the area that it was not necessary to give in to the Russian demands. Mr. Jenson agreed nothing could be done in areas already antagonistic to the West but it was clearly not necessary to let the Russians dominate the whole area. Questions which had to be answered were whether the increasing naval pressure should be met by the West increasing its own naval forces (and if so, how?) or in some other way.

13. Mr. Thomson said he could not say what decisions HMG might take. The U.K. would obviously wish to prevent the Russians acquiring more influence in the area if that could be prevented. The response need not necessarily in each case be naval; one could use the most sensible form of leverage according to the circumstances of the country concerned. It might in fact be years before the Russians used their presence in a way that struck directly at specific Western interests. It was necessary to consider how the Russians, the West and the peoples in the area saw the present trends. If the Russians showed that they felt themselves dominant this could create expectations in the minds of the peoples in the area; if they tried to take advantage of that to play off East against West the West would have to decide whether or not to compete. Mr. Bennett said that the West would obviously not wish to see inevitable

losses develop into uncontrolled trends. Reaction would have to be partly determined by a sense of timing. Some forms of action might be acceptable at one time and not at another. Mr. Bartholomew asked whether the peoples of the area wished to be left alone with the Russians. It was generally agreed that they did not, although they themselves might not yet have discovered that fact.

14. Mr. Thomson said he thought it unlikely, on balance, that the Russians would want to take action by armed force in the area in the next five years: They would prefer to get their way by exercising influence. Mr. Sanson questioned whether the Russians really had a surplus of ships. Mr. Thomson said he thought they now had sufficient to provide for lower priority projects such as the Indian Ocean and still fulfil those of higher priority. Mr. Helsens thought that the allocation of ships to the Indian Ocean had hurt the Russian Pacific Fleet.

15. Mr. Sanson suggested that if the Left responded in Naval terms the apparent low cost/high benefit character of the Russian operation would change. Mr. Bartholomew thought that the Russians might consider that a rapid expansion of a U.S. naval presence would in fact help to cement their influence. A response by the West to a level short of that of the Russians might help U.S. influence in some countries, and reduce it in others. Mr. Ranzze pointed out that even doubling the U.S. presence would still result in a very few ships in a very large ocean. There is no obvious best course to follow.

RECORD OF A MEETING HELD IN THE EXECUTIVE OFFICE BUILDING ON THURSDAY, 10 DECEMBER, 1970 AT 2.45 p.m.

Present :

Mr. J.A. Thomson	Mr. Wayne Smith
Mr. C.M. Rose	Mr. H. Saunders
Mr. L.J. Middleton	Mr. H. Sonnenfeldt

Mr. Thomson gave the U.S. side copies of a short note setting out a U.K. view of the Indian Ocean problem. He said that this document expressed his personal views but he believed that in speaking to the President the Prime Minister would have as background an assessment on these lines. He asked what line the President might take. He suggested that the present days discussions might be based on the four questions raised by Dr. Kissinger at the Senior Review Group. Mr. Wayne Smith said that he could not say with certainty what lines the President's brief would take. He expected that it would be drafted next week and it would probably be in the nature of a holding brief. He did not expect any lengthy discussion on this subject between the President and the Prime Minister because the U.S. study was not complete. In the preliminary phase of their study they had concentrated on naval aspects; he thought there was no conflict between U.S. and U.K. on facts. They now intended to broaden their study but were unlikely to complete it before the first half of January.

2. Mr. Saunders said that in the next phase of the study they wished to examine all activities in the area and establish how the naval activities related to the total effort (e.g. aid to India). He asked how the U.K. saw this problem. Mr. Thomson thought the Politburo probably did not have an Indian Ocean area policy as such; the overall policy was built up of separate policies relating to individual countries.

The Soviet Navy probably did see the area as a unit but even so the relative informance of the naval effort varied from country to country. It was particularly important in Mauritius, PRSY, Somalia and Singapore. It would not have much effect in Pakistan and might be counter-productive with some Indians although this might be offset by the assistance the Russians were giving to the Indian Navy. It might have some effect in the UAR and Sudan though other considerations were more important.

3. In answer to a question from Mr. Sonnenfeldt Mr. Thomson said he thought the naval presence had not much influence on the Shah of Iran relative to other factors. The Shah would probably tolerate port visits but would not welcome them.

4. Mr. Sonnenfeldt asked how much the dividend received by the Russians from their naval presence would be affected by a Western presence. Could an increase in the Western presence bring about diminishing returns if the littoral states objected to an arms race in the Indian Ocean. Mr. Thomson said that the dividend the Russians received was reduced by the existing Western presence and would be further reduced by a larger one but some States, particularly India, would object to an apparent arms race. He thought personally that something useful could be done to offset the Russian presence without greatly increasing the present Western effort. He had thought in terms of an attempt to use the total Western presence in a co-ordinated way; there might for example be a combination of ships visits by the U.K. and U.S. The French and the Australians might also perhaps be interested in participating. Something similar might also be done with naval air but admittedly with smaller psychological impact.

5. Mr. Sonnenfeldt suggested that the psychological impact of naval manoeuvres that demonstrated the vulnerability of Soviet naval units to closure of the narrows through which they had to pass in various parts of the world might be considered. He said there was a tendency to forget that the Russian fleets would be cut off from their home bases on the first day of the war. An intelligence programme to counter Soviet naval prestige might be worth considering. Mr. Thomson thought this was interesting, but suggested that naval advice should be taken as to whether the exercise would have the right result.

6. Mr. Thomson, referring to Dr. Kissinger's second question (should the Russian presence be countered with a Naval response only or in some other way ?), suggested that apart from ensuring a Western naval presence an attempt might be made to increase Western influence in the littoral states by giving them assistance with their own navies. This could prevent them from turning to the Russians or Chinese for help. Mr. Rose suggested that aid might be channelled through CENTO or the Colombo plan.

7. Mr. Sonnenfeldt suggested a good deal could be done by low key efforts in other areas in addition to combined port calls. Mr. Wayne Smith suggested that it was necessary to carry out specific micro-analyses to see where such efforts might be effective. Mr. Thomson thought something might be done at the Commonwealth Prime Minister's Conference in Singapore to persuade the Commonwealth countries around the Ocean from being too impressed by the Russians.

8. Mr. Wayne Smith asked what should be the timing of further moves (Dr. Kissinger's third question). Mr.Thomson suggested that the West should not wait for further Soviet

moves but should act now. Mr. Wayne Smith said he personally did not want to encourage an alarmist view, but he was unhappy at the thought of the Russians being unopposed in this area. Great benefit might be derived from joint measures without much expenditure. Mr. Thomson agreed that there was no point in trying to start large aid programmes as a counter-measure; Mr. Sonnenfeldt also raised the possibility of trying to get the Indonesians to co-operate in some counter-measures.

9. Mr. Saunders said that there was a current military relationship between the Indians and the Russians of which the naval aspect was only one. It was difficult to counter Soviet influence in these countries by naval means, although India and Pakistan were the only countries in the area where the U.S. had an aid programme. Mr. Sonnenfeldt said that the north western area of the Ocean was that least able to use aid; it was impossible to act constructively because the people were hostile and there might be benefit to be gained by the show of force. He suggested that a study should list countries by vulnerability, importance and susceptibility to influence in order to select those where an effort to combat Russian influence might best be made. Mr. Thomson agreed that now that there was agreement on the nature of the problem it would be possible to get down to cases. It was too early yet to define the nature of a response. The U.K. still had to make decisions on the Gulf and on the 5 Power Defence Arrangements.

10. Mr. Thomson then referred to the last of the four questions raised by Dr. Kissinger (i.e. how do events in the Indian Ocean relate to Soviet world-wide naval policies and how should the West respond ?) and said he thought that the Russian naval building programme had provided the possibility

to demonstrate Russian power in new areas. Mr. Sonnenfeldt said he thought the emergency of the Russians as a world wide power had introduced new uncertainties into international questions. He thought there was serious doubt whether the Russians would use their new power and he thought we knew too little about the mechanism by which Soviet decisions were made. He asked whether it really mattered if the Russians did land in e.g. Gabon. The U.S. would obviously take a less serious view about that than if the Russians landed in Brazil. He thought that because the Russians were not used to exerting world wide power they were not very good at interpreting local situations. The question was how could the chance that power got misused be minimised. Mr. Thomson suggested that the West should try to make it harder for the Russians to gain influence at little expense to themselves. Mr. Wayne Smith wondered how it was possible to make it more difficult for the Russians to use their "new toy".

11. Mr. Wayne Smith confirmed that the studies to be completed in January would be made available to us. He also confirmed that he was in substantial agreement with the assessment contained in the personal Note which Mr. Thomson had handed to them at the beginning of the meeting. Mr. Sonnenfeldt and Mr. Saunders indicated that they shared this view.

NOTES ON A MEETING HELD IN THE STATE DEPARTMENT,
FRIDAY, 11 [illegible], 19[illegible] AT 2.[illegible] P.M.

Present :

Mr. J.A. Thomson
Mr. L.J. Middleton

Mr. J. Neubert
Mr. A. Hartman
Mr. R. Kline
Miss M. Tibbetts
Capt. C. Long
Mr. W.A. Helseth
Mr. E. Masters
Mr. T.P. Thornton
Mr. E. Holmes
Mr. L. Meier
Mr. J. Stoddart

Mr. Thomson at Mr. Neubert's invitation outlined his views on the Indian Ocean area problem.

2. Following are questions asked and Mr. Thomson's answers.

(a) Should we be concerned also about China ? Is the Russian activity linked in any way with what the Chinese are doing ? (Hartman)

The Chinese have more technicians in Africa than the Russians do and are likely to try to open up relations with all countries in the area. However, they are not likely to act on the same scale as the Russians and over the next five years the latter will cause us much more concern. The Russians certainly want to check Chinese influence.

(b) What is the role of naval power relative to other activities ? Do the Russians see a need to increase their naval activities as their presence on shore increases ? Do not the Russians pay more attention to other aspects of their policy in the area than to the naval ones ? (Neubert)

It is difficult to make a general statement. The relative influence of Soviet naval power varies from country to country. In India for example other activities are more

important than a naval presence. I would guess that the Russians might keep their forces about the level seen in April 1970. It is not in their interest to increase them to such a level that would cause a reaction on the part of the West that would reduce their influence.

(c) You appear to suggest a connection between the Russian influence in Mauritius and Aden and the presence of the naval squadron. I am not sure that I would agree in the case of Aden. (Thornton)

The naval presence is simply one way of doing things. There are other ways, for example the potential establishment of a canning factory in Mauritius which is a popular and efficient as a way of giving aid; but the presence of the naval squadron provides the possibility of exerting a significant influence at a critical moment. In this respect it could play some part in Aden. It provides a possibility of taking action in the way that the British had in the Gulf and in Africa in the early '60s.

(d) The Russians have turned the Arab/Israeli situation to their advantage in the Mediterranean. Could they use the black/white situation in Southern Africa in a similar way ? (Meier)

Yes, why not ? Similar possibilities also exist with India/Pakistan, where the bitterness of the quarrel between the two countries overrides other considerations.

(e) Is it conceivable that the Russian naval squadron might be used, e.g. in a U.N. quarantine operation for Africa ? (Meier)

It is not inconceivable but U.N. intervention ought to be under Chapter VII and of course could be vetoed. It is

not possible to say what the Russians will do but given the presence of the naval squadron, they have the option of saying yes or no to a U.N. proposal.

(f) How disturbed are you at the prospects for the Gulf after 1971 given the phasing out of the U.K. forces ?

(Stoddart)

While the Gulf situation could be difficult it is not disastrous. There are possibilities for the establishment of a local balance of power which could be beneficial. The West is not likely to lose all the Gulf oil because noone else is able to buy it in these quantities, but it has now become much more expensive following the Libyan example.

(g) How does the Suez Canal figure in Soviet thinking ?

(Kline)

The Russians probably prefer on balance not to open the Canal for the moment because of the Western oil supply difficulties. In the long term they would be the biggest gainers from its opening particularly because they could maintain their naval presence from Alexandria. This is one reason for disposing the Russians to seek a settlement in the Middle East, but it is not the most important.

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Guidance & Information Policy Dept.,
Foreign & Commonwealth Office,
London S.W.1.

18 December, 1970.

Background Paper No. 6.

SOVIET EXPANSION IN THE MEDITERRANEAN AND INDIAN OCEAN AREAS

Instructions for Use

There has been a considerable expansion of Soviet naval and military activity throughout the world in the last decade and particularly during the last three or four years. This background paper deals with the Mediterranean and Indian Ocean areas. We hope to let you have in due course a further paper on Soviet naval activity in the Atlantic and Pacific areas.

2. You may draw freely on the material in the paper at your discretion to illustrate Soviet naval and military expansion in the Mediterranean and Indian Ocean areas. You should not try to make too much of any individual item. Much of the activity described in the paper is in itself harmless and similar to what we and the Americans do ourselves.

3. But to a political analyst it represents a considerable investment in the expansion of Soviet influence and to an historian it appears to be a familiar pattern of the expansion of naval power. Parts of the total picture look like a military extension of the present Soviet policy of expanding their influence in the Arab world; other parts fit into the global picture of the expansion of Soviet influence, economic and political as well as military. But the whole picture taken together adds up to a familiar "imperialist" pattern developing, as past imperialist policies have developed. In this connection, you should quote Admiral Gorshkov, the architect of the Soviet Navy's expansion, who has said:

> "The Soviet Navy has been converted, in the full sense of the word, into an offensive type of long-range armed force ... which could exert a decisive influence on the course of an armed struggle in theatres of military operations of vast extent ... and which is also able to support State interests at sea in peacetime." (TASS 28 July 1967)

/4. The paper

4. The paper outlines:-

(a) The expansion of the Soviet Navy in the last decade. (Paras. 1-3)

(b) Soviet naval deployment in the Mediterranean. (Para. 4)

(c) Shore facilities in the Mediterranean now available for the use of the Soviet Navy. (Paras. 5-7)

(d) Airfields available to the Russians in the UAR and Syria and deployment of Soviet combat units in the UAR. (Paras. 8-10)

(e) Soviet naval deployment in the Indian Ocean/Red Sea/Persian Gulf areas. (Para. 11)

(f) Development of port and shore facilities. (Paras. 12-16)

(g) The growth of the Soviet merchant fleet. (Para. 17)

(h) Soviet military aid to countries in the Middle East and bordering the Indian Ocean. (Paras. 18-31)

(i) Soviet economic aid to countries in the Middle East and bordering the Indian Ocean. (Paras. 32-35).

Security Classification

5. The information in the paper is unclassified and may be drawn on in conversation. However, the existence of the paper should not be revealed and care should be taken not to distribute extracts from it which would be likely to cause offence if they came to the notice of countries to which they refer. The cover note is graded Confidential. Paragraph 3 may be used unattributably only.

Distribution:

Certain Missions and Dependent Territories
FCO/WH

SOVIET NAVAL AND MILITARY EXPANSION
IN THE MEDITERRANEAN AND INDIAN OCEAN AREAS

A. Expansion of the Soviet Navy in the Past Decade.

During the last decade the capability of the Soviet Navy has been greatly increased by the construction of nuclear-powered submarines armed with ballistic and cruise-type missiles, in addition to attack types. Many other new classes of surface ships have been introduced into the Soviet Navy including two MOSKVA class SAM armed helicopter cruisers; at least eight cruisers of the KYNDA and KRESTA classes, armed with surface-to-surface and surface-to-air missiles; some 25 surface-to-air missile-armed destroyers; and over a hundred surface-to-surface missile-armed fast patrol boats.

2. There are currently some 350 operational submarines of all types (including some 75 nuclear powered) in the Soviet Navy. It seems likely that the Russians are at present building at least 10 nuclear submarines per year, of which about half are armed with ballistic missiles.

3. The Soviet Navy also includes about 50 trawlers and similar vessels equipped for electronic and/or communications intelligence collection and over 100 hydrographic and oceanographic research ships which can, on occasions, be used for intelligence collection, although basically employed on oceanography, missile tracking, space research, meteorology and similar tasks.

B. Soviet Naval Deployment to the Mediterranean

4. Soviet naval deployment to the Mediterranean is shown in the following table:

Year	Type of ship	High	Low
1965	Combatants	5	1
	Submarines	2	-
	Auxiliaries	10	3
1967	Combatants	12 (June War)	1
	Submarines	5 (June War)	2
	Auxiliaries	12 (June War)	5
1968	Combatants	21	8
	Submarines	13	5
	Auxiliaries	21	8
1970	Combatants	30	12
	Submarines	10	8
	Auxiliaries	25	15

Notes: (a) "Combatants" includes cruisers, destroyers, submarines depot ships and landing ships.

(b) "Auxiliaries" includes tankers, stores ships, lifting ships, etc.

C. Shore Facilities in the Mediterranean now Available for Use of the Soviet Navy

5. Soviet naval forces have available repair and maintenance facilities in Alexandria and fuel facilities in Port Said; the current development of Mersa Matruh is also relevant. As yet, no other shore facilities are believed to be available to Soviet warships in the Mediterranean, although visits by Soviet fleet units take place from time to time to the Syrian ports of Tartus and Latakia and to a number of ports along the North African littoral.

6. The Russians can be expected to make increasing use of these existing shore facilities, either to support an increase in the overall size of their naval forces or, more probably, to improve the capability of the existing force; in either event, this will not be allowed to impair the Soviet Navy's capability for self-supported maintenance afloat.

7. Soviet propaganda still claims that only "imperialist" nations maintain bases in foreign countries. However, her own adherence to a policy of "no foreign bases" appears to have been discreetly and gradually discarded. The Soviet Navy continues to demonstrate its ability to operate for long periods at sea, independently of foreign support; but Soviet warships are making increasing use of Egyptian ports.

D. Airfields Available to the Russians in the UAR and Syria and the Deployment of Soviet Combat Units in the UAR

8. In addition to developing port facilities, the Russians have provided much advice in the planning and construction of airfields throughout the Middle East, and especially in the UAR. They now make considerable operational use of these airfields and associate facilities which have been developed under their guidance. Before the 1967 Six-Day War, there were 21 operational military airfields in the UAR west of the Suez Canal, Gulf of Suez and the Red Sea; now there are at least 30 on which there are about 500 hardened aircraft shelters. Airfield construction and development continues. A number of UAR airfields are defended by SA-2 or SA-3 surface-to-air missiles, or both.

9. Russian pilots are operating Soviet MIG.21 fighters from UAR airfields, and since 1968 a Soviet Naval Air Force unit, flying under UAR colours, has been based in the UAR. The latter has steadily increased in strength and its TU.16 (BADGER) and BE.12 (MAIL) aircraft provide reconnaissance and anti-submarine warfare support for the Soviet Mediterranean Fleet.

10. It is estimated that at least 25 Soviet SA-3 units are operationally deployed in the UAR. These units are supported by Soviet ZSU 23/4 self-propelled anti-aircraft weapons for their protection.

E. Soviet Naval Deployment to the Indian Ocean/Red Sea/Persian Gulf Areas.

11. Soviet naval deployment to the Indian Ocean Area is shown in the following table:

Year	Type of Ship	High	Low
1965	Combatants Submarines Auxiliaries Space	NIL - Occasional ships on inter-fleet transfers or delivery to buyers.	
1967	Combatants Submarines Auxiliaries Space	1 - - 15	- - - 12
1968	Combatants Submarines Auxiliaries Space	3 2 9 5	-, January -) to March 1 2
1970	Combatants Submarines Auxiliaries Space	7 4 9 8	1 - 2 2

Notes: (a) "Combatants" includes cruisers, destroyers, submarines depot ships and landing ships.

(b) "Auxiliaries" includes tankers, stores ships, lifting ships.

(c) "Space" includes space associated ships, naval survey ships, cargo ships with helicopters and civilian telemetery ships.

F. Development of Port and Shore Facilities

12. The Russians continue to supervise the use of the deep water facilities they have built at Hodeida (Yemen) and Berbera (Somalia) and they have some influence over shipping movements in Aden (People's Democratic Republic of Yemen - PDRY). They also seem to be interested in the development of facilities on Socotra Island (PDRY).

13. The Russians have also given the following assistance to the Iraqi and Indian navies:-

(a) Since 1959 the Soviet Union has supplied Iraq with 12 MTBs and 3 submarine-chasers and is believed to have provided instructors and training facilities;

(b) since 1965 the Indian Navy has received from the Soviet Union 4 submarines, a submarine depot ship, 5 anti-submarine escorts, 2 landing ships and some small patrol boats. The Russians are also helping the Indians to equip Vishakhapatnam with the necessary facilities to enable them to maintain their Soviet-built submarines. These facilities are available for the Egyptians and others. According to the Indian Defence Minister, his Government would also be prepared to allow them to be used by "any of the Big Four Powers".

14. Prior to the grant of independence to Mauritius in 1968, the Soviet Union showed little interest in the island. Since then, however, they have:

(a) established a large Embassy at Port Louis;

(b) signed a Soviet-Mauritius cultural agreement;

(c) requested astronaut rescue facilities and installations and permanent facilities for the photographic tracking of Soviet satellites;

(d) signed a fisheries agreement with Mauritius and secured permission to exchange crews of "fishing vessels" by Soviet civilian aircraft using Plaisance Airfield;

(e) increased calls at the island by Soviet naval and merchant shipping (see paragraph 16 below);

(f) endeavoured to obtain through the Kuwait National Petroleum Company oil supplies for "mother ships" at the disused oil installations at Grand Port.

15. There is no evidence of direct Soviet interest in the Seychelles territory as such. However, the Soviet Navy have anchored permanent mooring buoys off Fortune Banks, some 60 miles to the south of the islands.

16. Visits by Soviet naval and associated ships to ports in the Red Sea, Persian Gulf and on the East African coast have continued at a fairly steady rate during the last three years:

		1968	1969	1970
(a)	Red Sea	9	17	9
(b)	Persian Gulf	2	10	3
(c)	East African Ports	11	10	14
		22	37	26

The most significant increase during the period was to Mauritius where the figures are:

1968: 0; 1969: 2; 1970: 13.

G. The Growth of the Soviet Merchant Fleet

17. The Soviet merchant fleet has quadrupled in size since 1955. It now totals over 13 million dwt (10 million grt), about [illegible] per cent of the world's merchant tonnage. In the Mediterranean, Soviet merchant ships operate mainly from Black Sea ports. In the Indian Ocean area the greater part of Soviet trade is carried by three main shipping lines operating:-

(a) from the Black Sea to South-East Asia, Japan and North Korea;

(b) from Soviet Far-East ports to Japan, South-East Asia and the Indian sub-continent;

(c) a joint USSR/Indian line carrying cargo between the two countries.

Two smaller Soviet lines ply between the Black Sea and East African and Red Sea ports and between the Black Sea and Iraq. The Soviet merchant fleet, being centrally controlled, can be [illegible] selectively at short notice to provide logistic support for naval operations.

H. Soviet Military Aid to Countries in the Middle East and Bordering the Indian Ocean

18. UAR, Syria and Iraq are leading recipients of Soviet military aid and together have received equipment and training worth over $4,000 million, about half the total of Soviet military aid given to the less developed countries. Although both Iraq and Syria are [illegible] to make payment for aid received from the Russians the UAR has paid very little for all the arms it has obtained in the last 15 years. There are about 6,000 Soviet military advisers and experts serving in the UAR; this represents approximately two-thirds of the total number of Soviet military advisers now serving abroad, excluding Viet Nam and Cuba.

19. Military aid has also been extended to Tanzania (until December 1969), PDRY, the Sudan, Somalia, Pakistan, India, Ceylon and Iran. Indonesia is no longer subject to Soviet influence. In Tanzania and Pakistan Soviet military aid has been largely eclipsed by assistance received from the Chinese.

Iraq

20. Iraq has been receiving military equipment from the Soviet Union since 1958 and she is now one of the main recipients of Soviet Bloc military aid. Soviet commitments for military aid to Iraq amount to about $1,000 million, and the equipment delivered includes large supplies of tanks (T54/55), Armoured Personnel Carriers (APCs) (both Soviet and Czech), artillery, fighter and transport aircraft and naval craft. There may be as many as 250-300 Soviet military advisers and experts now working in Iraq.

People's Democratic Republic of Yemen (PDRY)

21. Deliveries of the main items under the arms agreement of 1968 were made in 1969, although there have been continuing deliveries of small arms and ammunition, vehicles and spares during 1970. Equipment delivered in 1969 includes T-34 tanks, Mig 15/17 fighters and AN-24 transport aircraft; the total value of all equipment delivered in 1969/70 has probably been about $10 million. There are now thought to be about 150 Soviet military advisers in PDRY.

Syria

22. Of the Soviet Union's three main Middle Eastern customers, Syria has received less military equipment than the UAR and Iraq. But with just under $1,000 million worth of such aid committed to her, she is nonetheless an important recipient. Like Iraq, Syria has received up-to-date equipment for her three services. The number of Soviet military advisers and experts in Syria is assessed at approximately 750.

UAR

23. At the end of 1969 the UAR was already the largest recipient of Soviet Bloc military aid in the area, with a total Soviet commitment of about $2,000 million. During 1970 the Soviet commitment to the UAR was further increased by the operational deployment since March of a large number of Soviet military personnel in an air defence role. We are not yet able to estimate the cost of this operation, but it seems likely to add to the huge debt the Egyptians already owe to the Soviet Union for military equipment of all types received since 1955, most of which has probably still not been paid for. The total number of Soviet military personnel in the UAR is estimated at about 15,000; this figure includes the estimated 6,000 advisers and experts attached to the UAR Armed Forces, an increase since 1969 of about 2,500.

Sudan

24. The Sudan has been receiving Soviet arms and training under an agreement signed in 1968 and probably further agreements since. Deliveries have included jet fighters, helicopters, and a considerable amount of equipment for the ground forces including tanks. The number of Soviet advisers in the Sudan may be quite appreciable by now

Somalia

25. An agreement for the supply of arms was signed between the USSR and Somalia in 1963. Since then a considerable amount of arms, including tanks, APCs, artillery and fighter and trainer jet aircraft, are believed to have been delivered. Several hundred Soviet instructors are still present in the country.

Tanzania

26. Since 1966 arms have been delivered to Tanzania by both the USSR and China, and instructors of both countries have been present in Tanzania. The leading role has now been taken over by China. So far, most of the equipment supplied has been for the ground forces, but modest naval facilities for Tanzanian patrol boats are being built with Chinese assistance; it is expected that the Chinese will supply the boats in due course. They are also believed to have offered to expand the rudimentary Air Wing; this would probably involve the supply of jet aircraft.

India

27. India, the second largest recipient of Soviet arms after the UAR among non-Communist countries, has accepted since the early '60s major items of equipment for all three services to a value of over $1,000 million. These include T-55 tanks, Mig-21s, F class submarines, Petya escorts and SAMs. Soviet assistance has also extended to the setting up of maintenance and production facilities e.g. the Mig production facility at Nasik and the naval base at Vishakhapatnam. There are probably about 400 Soviet advisers and experts in India at present.

Ceylon

28. The Soviet Union has recently offered a credit to Ceylon of Rs. 50 million to cover the purchase of machinery and equipment including 6 helicopters for the Ceylon Air Force. Ceylon Air Force pilots for these helicopters may be trained in the Soviet Union.

Indonesia

29. In the 1957-64 period Indonesia was a major recipient of Soviet military aid, accepting a comprehensive range of equipment for all three services. Much of this is now unserviceable and the supply of spare parts is currently a major preoccupation of the Indonesians.

Iran

30. Soviet arms deliveries to Iran date from 1967 and comprise soft-skinned vehicles, APCs and AD guns. To date the Shah has not accepted Soviet aircraft; his requirements being met by the United States. However, the income which has just begun to accrue from sales of natural gas to the Soviet Union could lead to the purchase of more sophisticated equipment in future.

Pakistan

31. The supply of T-55 tanks began in 1969, but only a fraction of the 200 ordered from the Soviet Union have so far been delivered

Soviet Economic Aid to Countries in the Middle East and Bordering the Indian Ocean

32. During the period 1954-69 economic aid credits extended by the USSR to all developing countries amounted to some $6,600 million. Of this total the UAR received 46%, Iran 7%, Iraq 4%, Syria and Algeria 3% each. Drawings made by these countries so far are estimated to have reached about half the total $2,600 million available to them; the UAR, the heaviest drawer, received about two-thirds ($700 million) of the credit available to her, while at the other end of the scale Iran has drawn only one-fifth of her credit. The number of Soviet economic experts in the countries does not reflect the size of the credits which they have been allotted. There are in the UAR approximately some 600 non-military Soviet advisers, in Iraq 500, in Syria 900 and in Iran 1200, while there are in the UAR 180.

33. The economic aid credits have had the effect of increasing Soviet exports, particularly of heavy machinery and other manufactures, which would from time otherwise be exported. Most trade with Iran is conducted under bilateral barter arrangements, a part of which the USSR repays under these arrangements from imports of cotton, rice, crude oil, kerosene, oil and iron-ore, and the balance with Iranian natural gas. In future the USSR may also get a little oil from Syria and Iraq. The credits have probably helped the Russians to maintain a higher overall level of tea and cotton textile exports than they would otherwise have been able to do; while the oil can be sold direct to the market for this earning useful hard currency, though on a relatively small scale.

34. The Indian Ocean area accounts for over half the economic aid given to all under-developed countries by the USSR, but the bulk of this is concentrated in a few countries. India alone has received 25% of the total credits extended to the under-developed world, Indonesia 5% and Pakistan 3%. But Soviet economic aid has been extended throughout the area on an opportunistic basis, particularly when a comparatively modest outlay seemed likely to produce a substantial dividend. For example following a successful coup by elements friendly to the Soviet Union in Sudan, Soviet economic aid has been increased; the Russians appear to have succeeded in overcoming local reluctance to accept Soviet aid activities in Burma and Indonesia. Soviet progress has been cautious and in the PDRY, for example, the Soviet response to requests for aid was initially lukewarm and is still limited. Disturbances in the Yemen Arab Republic severely curtailed Soviet aid activities there.

35. A notable feature of Soviet economic aid to the area in recent years has been assistance to the development of maritime facilities and of the fishing industry. Since 1963 canneries and cold storage facilities have been promised to Iraq, Somalia, PDRY, Yemen Arab Republic, Indonesia and Tanzania (so far delivered only to Somalia). Fishing vessels have already been delivered to the PDRY and are to be supplied to Iraq, India, Ceylon, Yemen Arab Republic and Indonesia. Port improvements have been effected in Somalia and the Yemen Arab Republic and are to be undertaken in PDRY and elsewhere. The Soviet Antarctic whaling fleet has servicing facilities at Singapore and a recent agreement with Mauritius provides for Soviet technical assistance to the fishing industry in exchange for harbour facilities. Soviet fishing fleets, which also have an espionage capability, have been active in the Indian Ocean area since 1964.

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TO FOREIGN AND COMMONWEALTH OFFICE

TELNO. 1564

18 DECEMBER 197[illegible]

CONFIDENTIAL 181510Z

(272)

[illegible] TELNO. [illegible] IMPACT ON: SOVIET NAVAL AND MILITARY EXPANSION IN THE MEDITERRANEAN AND INDIAN OCEAN AREAS.

THE PROMISED BACKGROUND PAPER WILL BE EAGERLY AWAITED HERE, IN PARTICULAR BECAUSE THE RECENT VISIT OF THE PRIME MINISTER HAS HEIGHTENED INTEREST IN THE QUESTION OF THE SALE OF ARMS TO SOUTH AFRICA. THERE IS PARTICULAR INTEREST IN THE SOVIET PENETRATION IN THE INDIAN OCEAN AND IF ANY OF THE MATERIAL UNDER (E) TO (I) IN YOUR TELEGRAM UNDER REFERENCE IS NOW AVAILABLE IN A FORM WHICH COULD BE TELEGRAPHED IMMEDIATELY, IT WOULD BE INVALUABLE IN BRIEFING JOURNALISTS HERE. WE HAVE ONE PARTICULAR TRUSTED CONTACT WHO IS AT THIS MOMENT GATHERING MATERIAL ON SOVIET EXPANSION IN THE INDIAN OCEAN AND IN RELATION TO BORDERING AFRICAN COUNTRIES. WE SHOULD BE GRATEFUL FOR ANY HELP YOU CAN GIVE US QUICKLY.

MR. HAYMAN

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TELEGRAM NUMBER GUIDANCE 229 17 DECEMBER 1970

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SOVIET NAVAL AND MILITARY EXPANSION IN THE MEDITERRANEAN AND INDIAN OCEAN AREAS.

A NUMBER OF POSTS HAVE ASKED FOR GUIDANCE AND FURTHER INFORMATION ABOUT THE THREAT OF THE SOVIET MILITARY AND NAVAL ACTIVITY IN THE MEDITERRANEAN AND INDIAN OCEAN AREAS. THERE HAS BEEN A CONSIDERABLE EXPANSION OF SUCH ACTIVITY IN THE LAST DECADE AND PARTICULARLY DURING THE LAST 3 OR 4 YEARS. THE SUBJECT IS OF SUCH IMPORTANCE AND LONG-TERM INTEREST, PARTICULARLY IN THE CONTEXT OF OUR POLICIES BOTH IN THE GULF AND SOUTHERN AFRICA, THAT WE HAVE DECIDED TO ISSUE A BACKGROUND PAPER CONTAINING AN UP-TO-DATE AND COMPREHENSIVE ANALYSIS WHICH WILL SERVE AS A USEFUL QUARRY TO POSTS IN ANSWERING ANY QUESTIONS WHICH MAY ARISE. THE MATERIAL, WHICH CAN BE FREELY USED AT YOUR DISCRETION, WILL OUTLINE THE FOLLOWING:

(A) THE EXPANSION OF THE SOVIET NAVY IN THE LAST DECADE:

(B) SOVIET NAVAL DEPLOYMENT IN THE MEDITERRANEAN:

(C) SHORE FACILITIES IN THE MEDITERRANEAN NOW AVAILABLE FOR THE USE OF THE SOVIET NAVY:

(D) AIRFIELDS AVAILABLE TO THE RUSSIANS IN THE UAR AND SYRIA AND DEPLOYMENT OF SOVIET COMBAT UNITS IN THE UAR:

(E) SOVIET NAVAL DEPLOYMENT IN THE INDIAN OCEAN/RED SEA/PERSIAN GULF AREAS:

(F) DEVELOPMENT OF PORT AND SHORE FACILITIES:

(G) GROWTH OF SOVIET MERCHANT FLEET:

(H) SOVIET MILITARY AID TO COUNTRIES IN THE MIDDLE EAST AND BORDERING INDIAN OCEAN:

/(I) SOVIET

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(I) SOVIET ECONOMIC AID TO COUNTRIES IN THE MIDDLE EAST AND BORDERING INDIAN OCEAN.

2. THE DRAFT HAS BEEN AGREED BY ALL THE WHITEHALL DEPARTMENTS CONCERNED. IN VIEW OF THE FORTHCOMING COMMONWEALTH PRIME MINISTERS' CONFERENCE IN SINGAPORE, IT IS EXPECTED THAT THE PAPER WILL BE PROCESSED IN THE NEXT DAY OR SO, AND IT IS HOPED THAT IT WILL REACH MOST POSTS EITHER SHORTLY BEFORE, OR IMMEDIATELY AFTER, CHRISTMAS.

DOUGLAS-HOME

BY TELEGRAPH:

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PARIS	ADDIS ABABA	COLOMBO	LUSAKA
CARACAS	MOGADISHU	KUALA LUMPUR	ZOMBA
ADEN	SINGAPORE(POLAD)	SINGAPORE	MAURITIUS
BAGHDAD	OTTAWA	KAMPALA	SEYCHELLES

[ALL PRIORITY]

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6. SOVIET [illegible]

26b

The Committee had before them [illegible] circulating a draft guidance paper on the subject of [illegible] expansionist policies.

In discussion the following principle points were made:

a. It was important to have formal clearance for the [illegible] by the OIC Departments and Agencies in respect of [illegible] protection.

b. Consideration should be given to embarrassment which might be caused by adverse reflections on the activities of [illegible] countries referred to in the guidance.

c. The preamble should be expanded to clarify the purposes for which could be made of the document. It was not envisaged that the document should be handed to contacts, but only that the information contained in it should be given as [illegible] a currency as possible.

Summing up the discussion the Chairman said that some further work was required before the document could be considered ready for issue to overseas posts. It was important that the instructions for the use of the document should be precise, and that the Committee should be satisfied fully that all security points had been covered.

The Committee

1. Took note with the approval of the Chairman's summing up.

2. Invited Departments and Agencies to re-examine the guidance and inform the Secretary of their views on the security aspects as soon as possible.

3. Invited the FCO in conjunction with the Assessments Staff to revise the guidance in the light of the Committee's discussion.

26

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JIC(A)(70)(SEC) 219 COPY NO

14 December 1970 IMMEDIATE

CABINET

JOINT INTELLIGENCE COMMITTEE (A)

SOVIET NAVAL AND MILITARY EXPANSION IN THE MEDITERRANEAN AND INDIAN OCEAN AREAS

913/1

1. The attached draft background paper containing information on Soviet naval and military expansion in the Mediterranean and Indian Ocean areas, which can be used freely by posts overseas, has been prepared by the Foreign and Commonwealth Office from material supplied by Whitehall Departments and collated by the Assessments Staff.

2. Before circulating the paper to posts overseas the Foreign and Commonwealth Office have asked for the approval of the Joint Intelligence Committee (A) in regard to the accuracy of the paper and its use on an unclassified basis. An item has therefore been included on the Agenda of your meeting on THURSDAY 17 DECEMBER 1970.

Signed A G M SHEWEN

for Secretary
Joint Intelligence Committees

Cabinet Office SW1

14 December 1970

DISTRIBUTION
JIC(A)(Limited)

[illegible]

[illegible]

[illegible]

Soviet [illegible] and military expansion in the Mediterranean [illegible] Ocean areas

Instructions [illegible]

There has been a considerable expansion of Soviet naval and military activity throughout the world in the last decade and particularly during the last three or four years. This background paper deals with the Mediterranean and Indian Ocean areas. We hope to let you have in due course a further paper on Soviet naval activity in the Atlantic and Pacific areas.

2. You may draw feely on the material in the paper at your discretion to illustrate Soviet naval and military expansion in the Mediterranean and Indian Oceas areas. You should not try to make too much of any individual item. Much of the activity described in the paper is in itself harmless and similar to what we and the Americans do ourselves.

3. But to a political analyst it represents a considerable investment in the expansion of Soviet influence and to an historian it appears to be a familiar pattern of the expansion of naval power. Parts of the total picture look like a military extension of the present Soviet policy of expanding their influence in the Arab world; other parts fit into the global picture of the expansion of Soviet influence, economic and political as well as military. But the whole picture taken together adds up to a [illegible] pattern developing,

as most imperialist policies have developed, partly by accident and partly by design. In this connexion, you should quote Admiral Gorshkov, the architect of the Soviet navy's expansion, who has said:

"The Soviet Navy has been converted, in the full sense of the word, into an offensive type of long-range armed force ... which could exert a decisive influence on the course of an armed struggle in theatres of military operations of vast extent .. and which is also able to support State interests at sea in peacetime." (TASS 28 July 1967).

4. The paper outlines:

(a) the expansion of the Soviet navy in the last decade (paragraphs 1 - 3);

(b) Soviet naval deployment in the Mediterranean (paragraph 4);

(c) shore facilities in the Mediterranean now available forthe use of the Soviet navy (paragraphs 5 - 7);

(d) airfields available to the Russians in the UAR and Syria and deployment of Soviet combat units in the UAR (paragraphs 8 - 10);

(e) Soviet naval deployment in the Indian Ocean/ Red Sea/Persian Gulf areas (paragraph 11);

/(f)

NOTHING TO BE WRITTEN IN THIS MARGIN

(f) development of port and shore facilities (paragraphs 12 - 16);

(g) the growth of the Soviet merchant fleet (paragraph 17);

(h) Soviet military aid to countries in the Middle East and bordering the Indian Ocean (paragraphs 18 - 31);

(i) Soviet economic aid to countries in the Middle East and bordering the Indian Ocean (paragraphs 32 - 35).*

Security Classification

5. The material in the paper is unclassified and may be used freely. The cover note is graded Confidential; paragraph 3 may be used unattributably.

11/12

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SOVIET NAVAL AND MILITARY EXPANSION IN THE MEDITERRANEAN AND INDIAN OCEAN AREAS

A. Expansion of the Soviet Navy in the Last Decade

1. During the last decade the capability of the Soviet Navy has been greatly increased by the construction of nuclear-powered submarines armed with ballistic and cruise-type missiles, in addition to attack types. Many other new classes of surface ships have been introduced into the Soviet Navy including two MOSKVA class SAM armed helicopter cruisers; at least eight cruisers of the KYDNA and KRESTA classes, armed with surface-to-surface and surface-to-air missiles: some 25 surface-to-air missile-armed

/destroyers

UNCLASSIFIED

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/C.

(12803) Dd.643296 150m 8/69 G.W.B.Ltd. Gp.863
(13541) Dd.643727 200m 12/69 G.W.B.Ltd. Gp.863

C. Shore facilities in the Mediterranean now available for use of the Soviet Navy

5. Soviet naval forces have available repair and maintenance facilities in Alexandria and fuel facilities in Port Said; their current development of Mersa Matruh is also significant. As yet, no other shore facilities are believed to be available to Soviet warships in the Mediterranean, although visits by Soviet fleet units take place from time to time to the Syrian ports of Tartus and Latakia and to a number of ports along the North African littoral.

6. The Russians can be expected to make increasing use of these existing shore facilities, either to support an increase in the overall size of their naval forces or, more probably, to improve the capability of the existing force; in either event, this will not be allowed to impair the Soviet Navy's capability for self-supported maintenance afloat.

7. The credibility of the Soviet policy of "no foreign bases" was undermined during the Cuban crisis of 1962. Although Soviet propaganda still claims that only "imperialist" nations maintain bases in foreign countries, her own adherence to a policy of "no foreign bases" appears to have been discreetly and gradually discarded. Although the Soviet Navy continues to demonstrate its ability to operate for ~~long periods at sea~~ independently of foreign support, Soviet warships are making increasing use of Egyptian ports.

~~XXXXXXXXXXXXXXXXXXXX~~ /D.

NOTHING TO BE WRITTEN IN THIS MARGIN

D. Airfields Available to the Russians in the UAR and Syria and the Deployment of Soviet Combat Units in the UAR

8. In addition to developing port facilities, the Russians have provided much advice in the planning and construction of airfields throughout the Middle East, and especially in the UAR. They now make considerable operational use of these airfields and associate facilities which have been developed under their guidance. Before the 1967 Six-Day War, there were 24 operational military airfields in the UAR west of the Suez Canal, Gulf of Suez and the Red Sea; now there are at least 30 on which there are about 500 hardened aircraft shelters. Airfield construction and development continues. A number of UAR airfields are defended by SA-2 or SA-3 surface-to-air missiles, or both.

9. Russian pilots are operating Soviet MIG.21 fighters from UAR airfields, and since 1968 a Soviet Naval Air Force unit, flying under UAR colours, has been based in the UAR. The latter has steadily increased in strength and its TU.16 (BADGER) and BE.12 (MAIL) aircraft provide reconnaissance and anti-submarine warfare support for the Soviet Mediterranean Fleet. These Soviet aircraft operate from at least six UAR airfields; however, there is no evidence that any of these are under total Soviet control.

10. It is estimated that at least 25 Soviet-manned SA-3 sites are operationally deployed in the UAR, both within the Ceasefire Zone and in areas of Soviet interest. These units are supported by Soviet-manned ZSU 23/4 self-propelled anti-aircraft weapons for their

E. Soviet Naval Deployment to the Indian Ocean/Red Sea/Persian Gulf areas.

11. Soviet naval deployment to the Indian Ocean Area is shown in the following table:

Year	Type of Ship	High	Low
1965	Combatants Submarines Auxiliaries Space	NIL - Occasional ships on inter-fleet transfers or delivery to buyers.	
1967	Combatants Submarines Auxiliaries Space	1 - - 15	- - - 12
1968	Combatants Submarines Auxiliaries Space	3 2 9 5	Jan to Mar - - 1 2
1970	Combatants Submarines Auxiliaries Space	7 4 9 8	1 - 2 2

Notes: a) "Combatants" includes cruisers, destroyers, submarines depot ships and landing ships.

b) "Auxiliaries" includes tankers, stores ships, lifting ships.

c) "Space" includes space associated ships, naval survey ships, cargo ships with helicopters and civilian telemetery ships.

-7406

F. Development of Port and Shore Facilities

12. The Russians continue to supervise the use of the deep water facilities they have built at Hodeida (Yemen) and Berbera (Somalia) and they have some influence over shipping movements in Aden (People's Democratic Republic of Yemen - PDRY). They also seem to be interested in the development of ~~extra~~ facilities on Socotra Island (PDRY).

13 ~~14~~. The Russians have also given the following assistance to the Iraqi and Indian navies:-

(a) Since 1959 the Soviet Union has supplied Iraq with 12 MTBs and 3 submarine-chasers and is believed to have provided instructors and training facilities;

(b) since 1965 the Indian Navy has received from the Soviet Union 4 submarines, a submarine depot ship, 5 anti-submarine escorts, 2 landing ships and some small patrol boats. The Russians are also helping the Indians to equip Vishakhapatnam with the necessary facilities to enable them to maintain their Soviet-built submarines.

14 ~~15~~. Prior to the grant of independence to Mauritius in 1968, the Soviet Union showed little interest in the island. Since then, however, they have:

(a) established a large Embassy at Port Louis;

(b) signed a Soviet/Mauritius cultural agreement;

(c) requested astronaut rescue facilities and installations and permanent facilities for the photographic tracking of Soviet satellites;

(d) signed a fisheries agreement with

/Mauritius

NOTHING TO BE WRITTEN IN THIS MARGIN

Mauritius and secured permission to exchange crews of "fishing vessels" by Soviet civilian aircraft using Plaisance Airfield;

(e) increased calls at the island by Soviet naval and merchant shipping (see paragraph 16 below.

(f) endeavoured to obtain through the Kuwait National Petroleum Company oil supplies for "mother ships" at the disused oil installations at Grand Port.

15. There is no evidence of direct Soviet interest in the Seychelles territory as such. However, the Soviet Navy have anchored permanent mooring buoys off Fortune Banks, some 60 miles to the south of the islands.

16. Visits by Soviet naval and associated ships to ports in the Red Sea, Persian Gulf and on the East African coast have continued at a fairly steady rate during the last three years:

	1968	1969	1970
(a) Red Sea	9	17	9
(b) Persian Gulf	2	10	3
(c) East African ports	11	10	14
	22	37	26

The most significant increase during the period was to Mauritius where the figures are:

1968 : 0; 1969 : 2; 1970 : 13.

G. <u>The Growth of the Soviet Merchant Fleet</u>

17. The Soviet merchant fleet has quadrupled in size since 1955. It now totals over 13 million dwt (10 million grt), about 5 per cent of the world's merchant tonnage. In the Mediterranean, Soviet merchant ships operate mainly from Black Sea ports. In the

/Indian

Indian Ocean area the greater part of Soviet trade is carried by three main shipping lines operating:

(a) from the Black Sea to South-East Asia, Japan and North Korea;

(b) from Soviet Far-East ports to Japan, South-East Asia and the Indian sub-continent;

(c) a joint USSR/Indian line carrying cargo between the two countries.

Two smaller Soviet lines ply between the Black Sea and East Africa and Red Sea ports and between the Black Sea and Iraq. The Soviet merchant fleet, being centrally controlled, can be made available selectively at short notice to provide logistic support for naval operations.

H. Soviet Military Aid to Countries in the Middle East and Bordering the Indian Ocean

18. UAR, Syria and Iraq are leading recipients of Soviet military aid and together have received equipment and training worth over $4,000 million, about half the total of Soviet military aid given to the less developed countries. Although both Iraq and Syria are able to make payment for aid received from the Russians, the UAR has paid very little for all the arms it has obtained in the last 15 years. There are about 6,000 Soviet military advisers and experts serving in the UAR; this represents approximately two-thirds of the total number of Soviet military advisers now serving abroad, excluding Viet Nam and Cuba.

19. Military aid has also been extended to

/Tanzania

Tanzania (until December 1969), PDRY, South Yemen, the Sudan, Somalia, Pakistan, India, Ceylon and Iran. Indonesia is no longer subject to Soviet influence. In Tanzania and Pakistan Soviet military aid has been largely eclipsed by assistance received from the Chinese.

Iraq

20. Iraq has been receiving military equipment from the Soviet Union since 1958 and she is now one of the main recipients of Soviet Bloc military aid. Soviet commitments for military aid to Iraq amount to about $1,000 million, and the equipment delivered includes large supplies to tanks (T54/55), ~~APCs~~ Armoured Personnel Carriers (APCs) (both Soviet and Czech), artillery, fighter and transport aircraft and naval craft. There may be as many as 250-300 Soviet military advisers and experts now working in Iraq.

People's Democratic Republic of ~~South~~ Yemen (PDRY)

21. Deliveries of the main items under the arms agreement of 1968 were made in 1969, although there have been continuing deliveries of small arms and ammunition, vehicles and spares during 1970. Equipment delivered in 1969 includes T-34 tanks, Mig 15/17 fighters and AN-24 transport aircraft; the total value of all equipment delivered in 1969/70 has probably been about $10 million. There are now thought to be about 150 Soviet military advisers in PDRY.

/Syria

NOTHING TO BE WRITTEN IN T

Syria

22. Of the Soviet Union's three main Middle Eastern customers, Syria has received less military equipment than the UAR and Iraq. But with just under £1,000 million worth of such aid committed to her, she is nonetheless an important recipient. Like Iraq, Syria has received up-to-date equipment for her 3 services and in the last 18 months there have been indications that an SA-2 air defence system was being introduced in the country. The number of Soviet military advisers and experts in Syria is assessed at approximately 750.

U.A.R.

23. At the end of 1969 the UA.R. was already the largest recipient of Soviet bloc military aid in the area, with a total Soviet commitment of about £2,000 million. During 1970 the Soviet commitment to the U.A.R. was further increased by the operational deployment since March of large number of Soviet military personnel in an air defence role. We are not yet able to estimate the cost of this operation, but it seems likely to add to the huge debt the Egyptians already owe to the Soviet Union for military equipment of all types received since 1955, most of which has probably still not been paid for. The total number of Soviet military personnel in the UAR is estimated at about 10,000; it seems probably that these may now include as many as 6,000 advisers and experts attached to the U.A.R. Armed Forces, an increase since 1969 of about 2,500.

/Sudan

Sudan

24. The Sudan has been receiving Soviet arms and training under an agreement signed in 1968 and probably further agreements since. Deliveries have included jet fighters, helicopters, and a considerable amount of equipment for the ground forces including tanks. ~~[The Navy, though small, has been expanded with Yugoslav assistance.]~~ The number of Soviet advisers in the Sudan may be quite appreciable by now.

Somalia

25. An agreement forthe supply of arms was signed between the U.S.S.R. and Somalia in 1963. Since then a considerable amount of arms, including tanks APC's, artillery and fighter and trainer jet aircraft, are believed to have been delivered. Several hundred Soviet instructors are still present in the country.

Tanzania

26. Since 1966 arms have been delivered to Tanzania by both the U.S.S.R. and China, and instructors of both countries have been present in Tanzania. The leading role has now been taken over by China. So far, most of the equipment supplied has been for the ground forces, but modest naval facilities for Tanzanian patrol boats are being built with Chinese assistance; it is expected that the Chinese will supply the boats in due course. They are also believed to have offered to expand the rudimentary Air Wing; this would probably involve the supply of jet aircraft.

India

27. India, the second largest recipient of

/Soviet

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NOTHING TO BE WRITTEN IN THIS MARGIN

Soviet arms after the U.A.R. among non-Communist countries, has accepted since the early '60s major items of equipment for all three services to a value of over 1,000 million dollars. These include T-55 tanks, Mig-21s, F-class submarines, Petya escorts and SAMs. Soviet assistance has also extended to the setting up of maintenance and production facilities, ~~i.e.~~ e.g. the Mig production facility at Nasik and the naval base at Vishakhapatnam. There are probably about 400 Soviet advisers and experts in India at present.

Ceylon

28. The Soviet Union has recently offered a credit to Ceylon of Rs.50m. to cover the purchase of machinery and equipment including 6 helicopters for the Ceylon Air Force. Ceylon Air Force pilots for these helicopters may be trained in the Soviet Union

Indonesia

29. In the 1957-64 period Indonesia was a major recipient of Soviet military aid, accepting a comprehensive range of equipment for all three services. Much of this is now unserviceable and the supply of spare parts is currently a major preoccupation of the Indonesians.

Iran

30. Soviet arms deliveries to Iran date from 1967 and comprise soft-skinned vehicles, APCs, and AD guns. To date the Shah has not accepted Soviet aircraft; his requirement being met by the United States. However, the income which has just begun to accrue from sales of natural gas to the Soviet Union could lead to the purchase of more sophisticated equipment in future

Pakistan

Pakistan

31. The supply of T-55 tanks began in 1969, but only a fraction of the 200 ordered from the Soviet Union have so far been delivered. ~~This has created bad feeling in Pakistan.~~ SAD

I. Soviet Economic aid to countries in the Middle East and bordering the Indian Ocean

32. During the period 1954-69 economic aid credits extended by the USSR to all developing countries amounted to some $6,800 million. Of this total the UAR received about 16%, Iran 7½%, Iraq 4%, Syria and Algeria 3% each. Drawings made by these countries so far are estimated to have reached about half the total $2,000 million available to them; the UAR, the heaviest drawer, has taken about two-thirds ($700 million) of the credit available to her, while at the other end of the scale Iran has drawn only one fifth of her credit. The number of Soviet economic experts in the countries concerned does not reflect the size of the credits which they have been allotted. Thus in ~~Egypt~~ the UAR there are estimated to be some 600 non-military Soviet specialists, in Iraq 500, in Syria 900 and in Iran 1200, while in Algeria there are 1800.

33. The economic aid credits have had the effect of financing Soviet exports, particularly of heavy machinery and other manufactures, which would often not otherwise be exportable. Most trade and repayment of credits is made under bilateral and barter arrangements. Imports which the USSR receives under these arrangements include Egyptian cotton, rice and crude oil, Algerian oil and iron-ore, Syrian cotton and wool and Iranian natural gas. In future the Soviet Union will also get a

NOTHING TO BE WRITTEN IN THIS MARGIN

get a little oil from Syria and Iraq. The cotton has probably helped the Russians to maintain a higher overall level of cotton and cotton textile exports than they would otherwise have been able to do; while the oil can be sold direct to third markets thus earning useful hard currency, though on a releatively small scale.

34. The Indian Ocean area accounts for over half the economic aid given to all under-developed countries by the USSR, but the bulk of this is concentrated on a few countries. India alone has received 23% of all Soviet credits extended to theunder-developed world, Indonesia 5% and Pakistan 3%. But Soviet economic aid has been extended throughout the area on an opportunist basis, particularly when a comparatively modest outlay seemed likely to produce a substantial dividend. For example following a successful coup by elements friendly to the Soviet Union in Sudan, Soviet economic aid has been increased; the Russians appear to have succeeded in overcoming local reluctance to accept Soviet aid activities in Burma and Indonesia. Soviet progress has been cautious and in the P.D.R.Y.for example, the Soviet response to requests for aid was initially modest and is still limited. Disturbances in the Yemen Arab Republic severely curtailed Soviet aid activities there.

35. A notable feature of Soviet economic aid to the area in recent years has been assistance to the development of maritime facilities and ofthe fishing industry. Since /1963

NOTHING TO BE WRITTEN IN THIS MARGIN

1963 canneries and cold storage facilities have been promised to Iraq, Somalia, PDRY, Yemen.Arab Republic, Indonesia and Tanzania (so far delivered only to Somalia). Fishing vessels have already been delivered to the PDRY and are to be supplied to Iraq, India, Ceylon, Yemen Arab Republic and Indonesia. Port improvements have been effected in Somalia and the Yemen Arab Republic and are to be undertaken in PDRY and elsewhere. The Soviet Antarctic whaling fleet has servicing facilities at Singapore and a recent agreement with Mauritius provides for Soviet technical assistance to the fishing industry in exchange for harbour facilities. Soviet fishing fleets, which also have an espionage capability, have been active in the Indian Ocean area since 1964.

From J Thomas FCO
DEFENCE D
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REGISTRY No. 61
-1 JAN 1971
FSE 10/6

विदेश मंत्रालय, नई दिल्ली-११
MINISTRY OF EXTERNAL AFFAIRS
NEW DELHI-11.

CABINET OFFICE
-N 1971
RECEIVING INSTRUCTIONS
FILE No. 913/1

AIDE MEMOIRE

The Minister of External Affairs made the following statement in the Lok Sabha and Rajya Sabha on November 19, 1970, on the situation in the Indian Ocean Area:

> "Government have noted with concern recent reports about the establishment of military bases by outside powers in the Indian Ocean.
>
> (2) The information at present available is that the British Government has had certain communications and staging facilities in the Indian Ocean area. The U.K. and U.S. Governments concluded an agreement in 1966 to create similar facilities on certain islands in the British Indian Ocean Territory. Our views opposing the creation of these facilities have been communicated to the two Governments and have also been stated repeatedly in this House. According to our information the Soviet Government have no military bases in the Indian Ocean area.
>
> (3) The recent Summit Conference of Non-Aligned nations held in Lusaka in September, 1970, considered the situation in the Indian Ocean and adopted the following declaration:
>
> > "Calling on all States to consider and respect the Indian Ocean as a zone of peace, from which great power rivalries and competition as well as bases conceived in the context of such rivalries and competition, either army navy or air forces bases, are excluded."
>
> (4) The Government of India has subscribed to and whole heartedly supports this view."

Mr Thomson

Gp Capt Bayley

Lt Col Ryan

2. The Government of India would be grateful if the attention of the Government of the United Kingdom is drawn to the above statement.

3. The Government of the U.K. were informed last year that the Government of India views with concern the possibility of more military facilities being established in the Indian Ocean, thus increasing the possibilities of greater tension. It is hoped that they will still be able to reconsider their decision to establish such facilities.

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JOINT INTELLIGENCE COMMITTEE ( )

CONFIDENTIAL ANNEX

JIC(A)(70) 48th Meeting Minute 3

THURSDAY 10 DECEMBER 1970 at 11.00 am

3. DISCUSSIONS WITH UNITED STATES ON INDIAN OCEAN AREA

The Committee considered a Telegram (Washington No 3647 of 9 December 1970) from Mr Thomson, recording his first meetings with the US authorities on the above subject.

In a short discussion, it was agreed that initial progress had been satisfactory and that further guidance should be sent to Mr Thomson for use in subsequent meetings.

The following additional points were made -

a. Further information would be useful on the attitude of the Defence Department and their predictions about the use of a nuclear carrier in the Indian Ocean area.

b. It would possibly be useful to exploit this opportunity to take informal soundings from Mr KISSINGER on the idea of a conference of Indian Ocean Commonwealth countries to discuss defence arrangements in the area.

The Committee -

Invited the Chairman to draft a suitable telegram for submission before despatch to the Secretary of the Cabinet and the Permanent Under Secretary of State, Foreign and Commonwealth Office.

Cabinet Office SW1

10 December 1970

-S[redacted] F C O

1XGROX for Res. Clerk

Dist. yet to be decided

24

CYPHER/CAT A
IMMEDIATE WASHINGTON
TELEGRAM NUMBER 3647

TO FOREIGN AND COMMONWEALTH OFFICE
9 DECEMBER 1970

SECRET. 092240Z.

9/3/1

FOLLOWING FROM THOMSON PERSONAL FOR SIR BURKE TREND AND SIR DENIS GREENHILL:

INDIAN OCEAN AREA.

AT FIRST MEETING ON 8 DECEMBER I DEPLOYED OUR CASE IN GENERAL TERMS. THERE WAS A GOOD DEAL OF SCEPTICAL BUT MOSTLY NOT HOSTILE QUESTIONING. JUDGING FROM THIS THE WHITE HOUSE AND THE PENTAGON WERE BROADLY IN AGREEMENT WITH US WHILE THE STATE DEPARTMENT WAS RESERVED. THE CIA DID NOT DISCLOSE THEIR POSITION. WE CONTINUE DETAILED DISCUSSIONS THIS AFTERNOON.

2. UNEXPECTEDLY I WAS INVITED THIS MORNING TO ATTEND A MEETING OF THE NATIONAL SECURITY COUNCIL REVIEW COMMITTEE WITH KISSINGER IN THE CHAIR. AT HIS INVITATION I GAVE A PRESENTATION AND THERE WAS SOME DISCUSSION OF AN AMERICAN DRAFT PAPER. AT THE END OF THE MEETING KISSINGER DIRECTED THAT THE LATTER SHOULD BE RE-DRAFTED TO TAKE ACCOUNT OF THE DISCUSSION AND ESPECIALLY TO ANALYSE U S AND WESTERN INTERESTS INVOLVED, THE LONG RANGE POLITICAL IMPLICATIONS OF SOVIET ACTIVITIES IN THE AREA AND HOW THEY RELATE TO SOVIET WORLD-WIDE NAVAL AND OTHER OBJECTIVES.

3. GENERAL KNOWLES (ACTING FOR ADMIRAL MOORER) SAID THE JOINT CHIEFS AGREED WITH THE BRITISH ASSESSMENT AND CONSIDERED THAT THE U S GOVERNMENT WAS IN DANGER OF NEGLECTING A SIGNIFICANT SOVIET ADVANCE. HE DREW PARTICULAR ATTENTION TO THE IMPORTANCE OF BRITISH NAVAL FACILITIES IN THE AREA. HELMS (CIA) ALSO AGREED WITH THE BRITISH ASSESSMENT. HE BELIEVED THE SOVIET MOVES IN THE AREA

.....WERE BASED

[illegible] BASED ON THEIR INTERESTS IN THE ARAB WORLD AND THE INDIAN SUB-CONTINENT. HE SAW THE [illegible] OF THE [illegible] POLITICO-MILITARY STRATEGY. [illegible] (U.S.N.) [illegible], HE SAID THAT HE DID NOT THINK THAT IT WAS IMMEDIATELY NECESSARY TO [illegible] THE U.S. NAVAL PRESENCE IN THE AREA, BUT [illegible] THAT THE U.S. GOVERNMENT [illegible] A [illegible] IN WHICH THEY HAD CONSIDERABLE INTERESTS. [illegible] CONTINUED THE NEED TO TAKE [illegible] ACTION. [illegible] EXPRESSED A GOOD DEAL OF SPECIAL [illegible] IN FAVOR OF THE [illegible] AIRCRAFT AND NUCLEAR- [illegible] AT [illegible]. [illegible] (STATE DEPARTMENT) SPOKE IN FAVOR [illegible] AND AGAINST EARLY ACTION BUT HE ADMITTED THAT THERE [illegible] A DEAL [illegible] PARTICULARLY DREW ATTENTION TO THE WAY IN WHICH THE [illegible] ABLE TO EXPLOIT THE ARAB/ISRAELI CONFLICT, [illegible] /[illegible] BEGINNING IN SOUTHERN AFRICA [illegible] ATTITUDES TOWARDS THE WEST [illegible] INFLUENCE THROUGHOUT AFRICA. [illegible] (STATE DEPARTMENT) [illegible] THAT DIFFERENT LINE, WHICH IN EFFECT, SUPPORTED THE [illegible] VIEW.

4. IN PRIVATE CONVERSATION AFTERWARDS KISSINGER WITHOUT COMMITTING HIMSELF INDICATED THAT HE FOUND OUR CASE PERSUASIVE AND SAID HE WISHED TO KEEP IN THE CLOSEST TOUCH WITH US ABOUT IT. HE [illegible] ED ME TO CALL ON HIM PRIVATELY TOMORROW AFTERNOON. IF THERE IS ANYTHING YOU PARTICULARLY WISH ME TO SAY I SHOULD BE GLAD TO [illegible] WASHINGTON TIME, DECEMBER [illegible].

5. YOU WILL WISH TO SEE BEFORE THE [illegible] PERSONAL LETTER PROPOSED TO YOU CONTAINED AS ITEM NO. 1 IN DAO [illegible]. A 11 [illegible] 1.

23a

S E C R E T

Defence Department
Foreign and Commonwealth Office

London S.W.1

5 December 1976

[illegible]

[illegible] of your letter of 2 December.

[illegible] 913/1

[illegible] your letter. [illegible] Friday, [illegible] and I will [illegible] the first meeting of your group.

(R.J. Tesh)

Sir R. Hooper, K.C.M.G., O.B.E., D.F.C.,
Cabinet Office.

c.c. P.T.E. Lagrand, Esq., MOD
J.A. Thomson, Esq., Cabinet Office

S E C R E T

Reg 23

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J 829/2

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Copy to: J 923/A, J 928, J 913/1

JOINT INTELLIGENCE COMMITTEE (NEW ZEALAND)

SOVIET MARITIME ACTIVITY IN THE INDIAN AND SOUTH WEST PACIFIC OCEANS

JIC(NZ)(70) Note 4 (October 1970)

Sixteen copies of the above document have been received from the New Zealand High Commission and by direction of the Secretary, Joint Intelligence Committees have been distributed as follows:-

	Copy No
PUSD, FCO (3)	51-53
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DI.13, MOD, MET (2)	57-58
DGSS	59
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GCHQ, Z80A (2)	61-62
GCO(L)	63
Chairman JIC(B)	64
Assessments Staff	65
JIC Secretariat	66

2. Enquiries should be made to Miss Day (extension 709).

Cabinet Office SW1

4 December 1970

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CABINET

JOINT INTELLIGENCE COMMITTEE (A)

CONFIDENTIAL ANNEX
TO
JIC(A)(70) 47th MEETING HELD ON
THURSDAY 4 DECEMBER 1970

---

3. SOVIET ACTIVITY IN THE INDIAN OCEAN

MR THOMSON said that he would be visiting Washington in the following week to discuss Soviet activity in the Indian Ocean area with the United States authorities. He would be working from an extensive brief which had been prepared in consultation with Departments. A substantive American view would not however be immediately available since the United States Committee would not be meeting in time to produce this before Thursday 10 December.

THE CHAIRMAN summing up said that there did not seem to be any further action required by the Committee for the present but they would wish to be kept in the picture and to contribute further if possible.

The Committee

Took note.

Cabinet Office SW1
4 December 1970

Reg 21

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JIC(A)(70)(SEC) 211
3 December 1970

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JOINT INTELLIGENCE COMMITTEE (A)

FUTURE INTELLIGENCE ARRANGEMENTS IN THE INDIAN OCEAN AREA
(Previous Reference: JIC(A)(70)(SEC) 70)

The interim report on the above subject which was issued on 20 April 1970 recommended that the Working Party should reconvene before the end of the year to consider developments.

2. In view of current developments relating to the area I do not believe that you will consider this an appropriate time to reconvene the Working Party. Unless I am informed to the contrary (Cabinet Office: Extension 139) by 5.00 pm on FRIDAY 11 DECEMBER I will assume your agreement to postpone a further session of the Working Party.

Signed A G M SHEWEN
for Secretary
Joint Intelligence Committees

Cabinet Office SW1
3 December 1970
913/1

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[redacted]

[redacted]

[redacted]

SECRET

3 December 1970

f18.

Thank you for your letter of 2 December about the Soviet threat in the Indian Ocean.

2. I accept both the points which you make in paragraph 2, although I may vary the wording slightly in order to shorten the sentences.

3. I am mildly surprised to receive at this late the request from American department for what on the face of it seems a major briefing of the Canadians. It is the sort of thing which could be done best if there were time to process it through the Canadian intelligence machine and so ensure that it has their authority as well as merely a UK point of view. However, as you observe, the Canadians have already had access to our assessments. [illegible] I can not say that they have seen absolutely everything that we have produced on the subject, but they have certainly seen the vast bulk of it. I hope therefore that they are in fact better informed than perhaps the Secretary of State was aware when he saw Mr Sharp. [illegible] to get in touch with American Department as suggested in Sir [illegible]'s minute to discuss precisely what can most usefully be provided. Where the object is to produce something that will have a favourable effect on Mr Sharp, I am inclined to think that the brief prepared for my visit to Washington will be too bulky and too in the wrong form for the purpose. I also have reservations about giving the Canadians textually the summary of our discussions. It is just possible (though perhaps not very likely) that during my visit to Washington I might get the Americans to agree to something on the lines of this summary, and we might then want to show any agreed Anglo-American position to the Canadians, and this would presumably not be quite consistent with our summary in its existing form. At first sight it seems to me that we might be able to meet the requirement quite neatly by providing Mr Drummond with the text which was originally produced for a SEATO Intelligence Committee meeting in September, and which the FCO subsequently gave to the Dutch Government. However, if you agree, I think that this can best be decided in consultation between Group Captain Hayley and American Department.

A/Sec B

A/Sec A

Sec

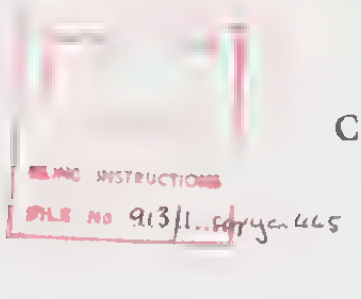
J A THOMSON

P M Tosh, Esq.,
Defence Department,
Foreign and Commonwealth Office.

SECRET

JIC Reg 18a

SECRET



CABINET OFFICE
LONDON S.W.1

WHITEHALL 5422

2 December 1970

Dear Mr Bolland,

In accordance with paragraph 5 of Anthony Elliott's letter of 25 November to me, I spoke to John Heidemann about my visit to Washington for talks on the Indian Ocean area. I told him of the subjects I would particularly like to discuss with the Agency and that the most convenient day for me would be Monday, 14 December. Yesterday evening he told me that he had heard from Washington that the Agency would be pleased to see me on that day, and that they had arranged a programme lasting all day, beginning with Jack Smith and including meetings with Lehman, Whitmar, ONE, and after lunch with Bruce Clarke. I told John Heidemann that this was highly satisfactory.

2. I dare say you know all this already, but I am writing to make doubly sure. I hope I need not say how much I should welcome it if you were free to come to the talks too, but this is of course entirely up to you.

3. Anthony told me on the telephone this afternoon that you were meeting me at the airport. I think this is much too kind of you, especially on a Sunday afternoon. I hope therefore that you will feel free to change your mind and either send an Embassy driver, or else leave me a message at the TWA desk to tell me to take public transport. Whether or not we meet on Sunday afternoon, I am very much looking forward to having a chat with you about some of the problems and questions which arise here, but which are hard to deal with adequately in correspondence.

Yours sincerely,

Hazel Miller

for J A THOMSON

Dictated by Mr Thomson
and signed in his absence.

E Bolland, Esq.,
British Embassy,
Washington DC.

132/2

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2 December 1970 UK EYES ONLY

CABINET

JOINT INTELLIGENCE COMMITTEE (A)

SOVIET, CHINESE AND OTHER COMMUNIST ACTIVITIES
IN THE INDIAN OCEAN AREA

1. The attached brief for Mr Thomson's forthcoming visit to Washington, has been amended in the light of Departments comments.

2. It is circulated for information.

Cabinet Office SW1

2 December 1970

DISTRIBUTION

Mr Thomson (12) 1-12
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Ministry of Defence (DISSEC E) (20) 18-37
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PUSD FCO 47-51
Mr R.A. Webster Def Sec 52
53.

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Annex to J 913/1 of
2 December 1970

BRIEF ON SOVIET, CHINESE AND OTHER COMMUNIST ACTIVITIES IN THE INDIAN OCEAN AREA

INTRODUCTION

For the purpose of this brief the Indian Ocean area is taken to include the [illegible] area of the Indian Ocean, together with the islands it contains, and the countries bordering it from South Africa at the south-western [illegible] to Australia at the south-eastern. It also includes the Persian Gulf and the Red Sea.

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Part I attachment to
J 913/1 [illegible]
2 December 1970

PART I

BRIEF NO.1 SOVIET NAVAL ACTIVITIES -
PUBLIC ANNOUNCEMENT

BRIEF NO 1

SOVIET NAVAL ACTIVITIES - PUBLIC ANNOUNCEMENT

The following is an extract of a statement in the House of Commons on 19 November. It is included as an aide memoire as it is the most recent public announcement on Soviet naval activities, and contains the agreed "quotable strengths".

> The past 4 or 5 years have seen the steady development of Soviet Naval Power - to a degree that it has markedly shifted the balance of power in the Mediterranean.
>
> Five years ago the average number of Russian naval vessels in the Mediterranean was 3 surface warships; 3 submarines; and 10 auxiliaries. This year, it has been 24 surface warships; at least 13 submarines; and 24 auxiliaries
>
> Five years ago there were no Russian vessels in the Indian Ocean. This year there have been 7 surface warships; at least 4 submarines; and 9 auxiliaries.
>
> They are building nuclear powered submarines at a rate of about one every 5 weeks.
>
> The broad maritime picture is that from World War II until the Cuban crisis in 1962, the Soviet Navy was orientated towards the defence of the homeland. After the 1962 Cuban crisis there was a gap of about 2 years while the Navy reorganised itself to operate on the high seas on a more permanent basis. It can now be said that there is permanent - or near permanent - deployment in the Mediterranean, the Pacific, the Indian Ocean and the West Indies.

This development giving the Russians greater flexibility is not confined to naval forces. It is echoed in infrastructure and air field development.

The main element of infrastructure indicative of military intention in the long term is that concerned with airfields. For example, in Egypt, Iraq, Syria the number of major airfields has increased from 36 to 65 since 1967 - and this excludes the many hundreds of landing grounds which have concrete shelters and are suitable for jet military aircraft. Development has also taken place in Yemen, South Yemen and Somalia at the southern end of the Red Sea - and the former disused British airfield on Socotra Island has been renovated.

Part II attachment to
J 913/1 of
2 December 1970

PART II

BRIEF NO.2 COMMUNIST AIMS AND INTERESTS

3 SOVIET PROPOSALS ON ASIAN SECURITY

BRIEF No 2

COMMUNIST AIMS AND INTERESTS

Soviet Aims

1. Soviet activities in the Indian Ocean area must be seen against the background of the global objectives of her foreign policy; the primary objective being to maintain and increase the security of the Soviet Union. Although the Soviet leaders cannot discount the possibility that the Western powers might deploy maritime and air strategic strike forces in the area within range of the Soviet Union and which they would see as an important and legitimate defence consideration, it is probable that their main objectives in the Indian Ocean area are -

a. the expansion of Soviet influence outside the Soviet bloc;

b. the undermining and disruption of Western influence;

c. the containment and, where possible, elimination of Chinese influence.

Clearly any strengthening of Russian influence overseas is likely at least partly to be at the expense of United Kingdom and Western interests.

The Importance of the Area to the Soviet Union

2. The Indian Ocean area is important to Russia because: the northern littoral countries are either close to or border the Soviet Union; the north-eastern countries border China; and the predominantly under-developed nature of the countries concerned present good opportunities for the gaining of Soviet influence and of lessening that of the West and China. The Ocean itself is of importance as part of the link between the Soviet fleets, as an important international trade route, and in connection with the Soviet space and communications programmes.

Soviet Strategy

3. The Soviet Union has only relatively recently begun to expand her efforts and influence in the countries around the Indian Ocean and it is only since the spring of 1968 that she has supported these efforts by the maintenance of a naval presence in the Indian Ocean. Apart from the naval presence and the flag-showing visits by naval ships to a large number

of ports in the area, Soviet activities have taken the form of such things as extensive economic and military aid, fishery agreements with a number of countries, assistance with port works, diplomatic activity etc. The Soviet effort is apparently still expanding and it is not yet possible to say how much further it will grow or even whether the Russians are proceeding in accordance with definite planned goals, but is probably a permanent feature.

4. It seems clear, however, that the Soviet activities in the Indian Ocean area are part of overall Soviet strategy to probe all over the world, not only to strengthen their own position but to explore the limits of Western tolerance. The Russians are unlikely to be inhibited from exploiting opportunities to increase their influence, including the offer of military support as exemplified by the enormous Russian military build-up in the Mediterranean and by their apparent abandonment of their "no foreign bases" policy. The Russians have probably recognised, and are prepared to accept, the potential risk to themselves and the danger of escalation inherent in such activity.

5. In calculating the dangers involved in their various activities the Russians will probably be guided by their assessment of likely American reactions. They wish to avoid a military clash with the Americans and, for the moment at any rate, a major East-West diplomatic crisis. However, the experience and resources, including a more sophisticated approach to crisis management and a military, naval and air capability of greatly increased flexibility that the Soviet Union has acquired in recent years, have broadened the framework within which her global objectives may be pursued and contribute to her ability to carry out activities in the Indian Ocean area. Indeed where the Soviet leaders judge that vital Western interests are not involved or where they judge that the West has lost the will to defend its interests, they will feel that they have considerable room for manoeuvre.

Chinese Aims

6. The Chinese can be expected to aim to improve their position in littoral countries where they already have a measure of acceptance, such as Pakistan and Tanzania, and they will take advantage of any opportunity to extend their influence to other countries. As yet Chinese activities

in the area have been on a much smaller scale than those of the Russians and their military capability has been limited to countries bordering China. They would be unable to maintain a naval presence in the Indian Ocean for several years at least. However, as they acquire a strategic nuclear capability in the latter half of the 1970s, following the Russian example, they may become bolder. Any increase in Chinese influence in the Indian Ocean area would to a certain extent be at the expense of Western, including United Kingdom, interests and also of actual or potential Soviet interests.

Sino-Soviet Interaction

7. Although Russia and China each present a separate threat to United Kingdom interests, there is now and will continue to be a complex and probably hostile pattern of interaction between the operations of the two countries. It is difficult to foresee how this will affect United Kingdom interests, but it is possible that it may eventually lead to a situation which could be turned to our advantage. Whatever the long term outcome, we believe that of the two, Russia will pose much the greater threat in the immediate and foreseeable future.

BRIEF No 3

SOVIET PROPOSALS ON ASIAN SECURITY

1. In his address to the World Conference of Communist Parties in June 1969 Brezhnev referred to the need for a "collective security system in Asia". Shortly afterwards, almost all the Soviet Ambassadors in Asian countries were recalled to Moscow for consultations, and in a number of conversations with foreign Ambassadors Soviet officials extolled the merits of a collective security system without spelling out what they meant by it. Even before Brezhnev's speech, Kosygin had been visiting India, Afghanistan and Pakistan, and had spoken of the desirability of these countries "and the other states of the region developing mutual relations of friendship and constructive co-operation".

2. A Soviet draft Declaration on international security was introduced in the United Nations General Assembly session in the Autumn of 1969 and in his speech to the Assembly Gromyko reiterated the Brezhnev theme, together with the proposals for European security sponsored by the Warsaw Pact nations. After that the Asian proposal lay dormant, although the proposals for a European Security Conference were pursued energetically.

3. In the late summer of 1970 the Asian security proposals began again to be featured in Soviet propaganda, though still in vague and imprecise form. In 1969 they had been widely interpreted as a Soviet attempt to contain China, but in 1970 the Russians seem to have been trying to dispel this impression. One Soviet broadcast to China claimed that the Soviet Union had originally invited China to take part in the proposed security system and stressed that it was aimed at "imperialist aggression". The Russians appear to be apprehensive about Japan's growing influence in Asia, and the 25th Anniversary of VJ Day in September provided the Soviet press with the opportunity to sound a strong warning about Japanese militarism, which they see as emanating both from "revanchism" within Japan itself and as one of the side-effects of the American "Guam doctrine". In propaganda addressed to Japan they have emphasised the importance of Japan in any Asian collective security system, to the point of suggesting

that without Japanese participation the scheme could hardly hope to get off the ground. No doubt with Japanese territorial claims to the Kurile Islands in mind, they have advocated Asian treaties on the model of the recent Moscow-Bonn Treaty undertaking strict observance of all parties' territorial integrity within present frontiers and the waiving of territorial claims.

4. In spite of the resumption of propaganda on this subject there have been very few references to Asian security in recent foreign policy speeches by Soviet leaders, and even these have been passing references. In a speech in North Korea in August, Mazurov implied that the Soviet plan presupposes the withdrawal of American forces from Asia. Brezhnev did not mention it at all in two major foreign policy speeches in August and October. And in his speech to the General Assembly last month Gromyko devoted only two sentences to Asian security. In general therefore, it appears that the Russians are keeping the topic alive, but not much more than that. It is a kite they are keeping available for flying when it happens to suit their propaganda requirements, but, in comparison with the Soviet initiative on European security, it does not have much wind behind it.

5. Partly for this reason and partly because of the vagueness of the Soviet plan, Asian countries have reacted cautiously. Only Mongolia has endorsed the plan, Indonesia has declared that she has no need of a collective security system, and, not unexpectedly, China has denounced it as anti-Chinese and anti-Communist. Some countries have expressed interest but want to know more precisely what the Russians are proposing; others have welcomed moves towards greater regional co-operation, but say that they are not interested in any scheme with military implications. But unless and until the Russians spell out their proposals it will not be possible to forecast the Asian line-up for and against them.

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PART III

BRIEF NO.4 UNITED KINGDOM AND WESTERN INTERESTS
IN THE AREA

BRIEF NO 4

UNITED KINGDOM AND WESTERN INTERESTS IN THE AREA

Political

1. The Indian Ocean is an area where there are no clearly defined spheres of influence of major external powers. It is bordered by three continents containing many nations of diverse races and creeds. It is an increasingly fertile area for competition and clash involving both external powers and indigenous countries.

2. The fundamental United Kingdom political interest in the area is for there to be conditions of stability and prosperity and freedom from domination inimical to the West. To this end it will be necessary for the West to have the capability to contain and counter any efforts to disrupt stability, particularly by Russian and China.

3. Britain still has two remaining dependent territories in the area: The Seychelles and the British Indian Ocean Territory. (The latter was created specifically for Anglo-American defence purposes and is dealt with separately in Brief No 24 of Part IX). Britain, however, remains responsible for the external relations and defence of the Seychelles, which now has a substantial degree of internal self-government under a Council of Ministers. Strenuous efforts are being made to develop tourism in the islands and, in consequence, an international airport on the main island of Mahe should be open to traffic in mid-1971. The deep-water quay facilities at Victoria are also being improved and enlarged. These might become of interest to the Russians.

Economic

United Kingdom

4. The countries surrounding the Indian Ocean account for 22 per cent of the United Kingdom's economic transactions overseas (imports plus exports, both visible and invisible trade). This figure is made up of: Australasia 6 per cent, South Africa 5 per cent, the Gulf 4 per cent, Southern Asia 3 per cent, South East Asia 2 per cent and East Africa 2 per cent. In general the United Kingdom exports manufactured goods and services to the area in return for foodstuffs and raw materials. These include over 45 per cent of the United Kingdom's crude and refined oil which comes from the Gulf, 29 per cent of non-ferrous metal imports and a high proportion of certain foodstuffs (eg tea). Over 40 per cent of the total Sterling external liability is to countries in the area (including the Gulf) and about 42 per cent of the United Kingdom's direct overseas investment (book values) is in the countries of the area (notably 20 per cent in Australasia and 11 per cent in South Africa).

5. Following the closure of the Suez Canal the trade route round the Cape of Good Hope carried 27 per cent by value of the United Kingdom's seaborne trade, more than any other route except the short route between the United Kingdom and Europe. At the end of 1967 there were about 230 British merchant ships at sea in the Indian Ocean at any one time.

6. In the future the Cape route will remain of great importance to the United Kingdom although shipping patterns may vary from those at present. On the one hand the percentage of trade with Commonwealth countries in the area is reducing and that with the developed countries of Western Europe and North America is increasing. New sources of raw materials are being developed closer to the United Kingdom, particularly oil from West Africa and the Mediterranean; and entry into the EEC could reduce the import of Commonwealth foodstuffs. On the other hand the volume of minerals from Australia is likely to increase. The reopening of the Suez Canal would cause a decline in the present volume of United Kingdom trade along the Cape route, but the rapid development of super tankers, large container ships and ore-carriers would mean that large quantities of vital commodities would still be transported round the Cape.

Western Europe and Japan

7. Indian Ocean shipping routes are not only of importance to the United Kingdom; they are also of vital importance to Western Europe and Japan. Oil provides the best example. At present about 60 per cent of West Europe's oil imports comes round the Cape; and of the 170 million tons of oil Japan imported in 1969, 150 million tons (88 per cent) was transported from the Gulf through the Indian Ocean.

Part IV attachment to
J 913/1 of
2 December 1970

PART IV

SOVIET NAVAL ACTIVITIES.

BRIEF NO

5 SOVIET NAVAL PRESENCE IN THE INDIAN OCEAN

6 SOVIET NAVAL DEPLOYMENTS TO THE INDIAN OCEAN

7 PORTS IN THE INDIAN OCEAN/PERSIAN GULF AREA VISITED BY SOVIET NAVAL AND ASSOCIATED UNITS

8 SOVIET PRESENCE IN THE MEDITERRANEAN

9 NOTE ON SUEZ CANAL

BRIEF NO 5

SOVIET NAVAL PRESENCE IN THE INDIAN OCEAN

1. Since September 1967 Soviet ships have been used in the Indian Ocean in support of the space programme. In addition some have carried out oceanographic research and have also collected communications information. Before the deployment of the space associated ships there had been no Soviet naval activity in the Indian Ocean apart from occasional operations by survey ships and passages by warships in transit. Combatant warships were first deployed to the area in the spring of 1968 and since then the Soviet Union has maintained a virtually permanent, although varying naval presence. A large number of ports have been visited, not only in the littoral countries, but in the Red Sea, the Persian Gulf, Mauritius and the Maldives also. There is no evidence that Soviet combatant warships or submarines have received shore-based support in the area. Naval units have, however, been reported at anchorages off the Seychelles (where permanent mooring buoys were laid in international waters in the winter 1968-69), Cargados Carajos and Socotra, and limited use of the excellent air base and maritime facilities at Aden has been made by space associated ships and transport aircraft. The Soviet Union has recently acquired facilities for her fishing vessels in Mauritius and landing rights at Pleasance Airport for the roulement of their crews. Also interest is currently being taken in Socotra. It is not yet clear what Soviet intentions are, but it is possible that a communications station could be established, and the ex-RAF airstrip has been rehabilitated. It could be used by reconnaissance aircraft supporting the Soviet naval presence, or by the Soviet TU 16s now based in the UAR after further surface preparation.

2. The Soviet naval presence in the Indian Ocean reached its peak in April 1970 at the time of the Lenin Centenary and the worldwide OKEAN exercise. It consisted of a cruiser, four destroyers, five submarines (one nuclear), a submarine depot ship and an LST. An account of Soviet naval deployments to the Indian Ocean and a chart showing the strength of the naval presence month by month is in the following brief (No. 6).

3. In the absence of Western Strategic strike forces in the Indian Ocean the Soviet naval presence does not serve a strategic defensive requirement; it must be seen, therefore, as a manifestation of the Soviet Union's policy of using her naval ships to extend her influence. In addition to its flag-showing ability, the naval presence could help to guarantee the freedom of navigation for Soviet and other Communist merchant shipping. (Although representing only a small proportion of Soviet merchant shipping activities worldwide, there were some 390 passages through the Indian Ocean in 1969). At its present level, however, (and even when it was at its peak) the Soviet naval presence in the Indian Ocean cannot be seen as a serious threat in purely military terms either to the area as a whole or to the shipping lanes of vital importance to the West. There is no evidence of any Soviet plan to increase her naval presence. But ships of the Soviet navy have shown their ability to remain at sea for very long periods with a minimum of support, either ashore or afloat; and if either the Suez Canal were reopened or if adequate shore based facilities for naval ships were acquired, the Soviet Union's ability to exercise sea power in the Indian Ocean would be markedly increased. For as long as the Suez Canal remains closed, therefore, progress by the Soviet Union in acquiring shore facilities could herald an increase in her naval presence in the Indian Ocean.

4. Ability of the Soviet Navy to operate in Tropical Waters. Modern weapons and their associated computers require adequate air conditioning which also contributes to accuracy and precision of work on weapons, equipment and machinery maintenance in addition to good morale. There are indications that the Russians are air conditioning weapon spaces and we believe they are conducting tropical trials on all types of ships to see which are the most efficient. We do not know the result of these trials, but there is no reason to believe that the Soviets are unable to operate successfully in tropical waters.

The Indian Ocean as an operating area for Soviet nuclear submarines.

5. The deployment of Soviet ballistic missile nuclear submarines in this area is unlikely owing to the lack of an Indian Ocean base for submarines to offset the long transit times involved. In any case, the Atlantic,

Pacific and Arctic Ocean areas are preferable for operating SSBNs against US, NATO and even Chinese targets.

6. The operation of submarines against shipping at focal points in the Indian Ocean would require prolonged transit times from Soviet Russia together with sophisticated afloat support or bases in the area. Nuclear submarines, because of this high passage speeds, endurance and habitability, would be the obvious choice for such a campaign. However, first priority in submarine deployment will probably be given to defensive requirements of the home land. Nevertheless the large scale nuclear submarine building programme should result in significant surpluses to this requirement, particularly as allied carrier strike capability reduces in the late 70's. Thus the Soviets will, in the future, be increasingly able to exploit their growing nuclear submarine fleet to generate pressures on allied supply routes in areas of their choosing, assuming that the risks of escalation are accepted. The Indian Ocean is one such particularly lucrative area.

Brief No 5 - Add new paragraph 7:

"As regards physical or environmental considerations, there are no known factors which make the Indian Ocean more suitable than other areas for submarine operations."

BRIEF NO 7

PORTS IN THE INDIAN OCEAN/PERSIAN GULF AREA

VISITED BY SOVIET NAVAL AND ASSOCIATED UNITS

1. The ports visited by Soviet Naval Units, auxiliaries and Research Vessels since March 1968 are given below. In view of the periodical gaps in accurate information the figures for numbers of visits should be treated with reserve as regards total accuracy, but the ports listed are known to have been visited by varying numbers of ships.

PORT	NO OF VISITS (BY ONE OR MORE SHIPS)
ADEN	11
BERENICE	1
BERBERA	3 (could be more)
BANDAR ABBAS	2
BOMBAY	4
CHITTAGONG	1
COLOMBO	7
DAR-ES-SALAAM	2
HODEIDA	2 (could be more)
KARACHI	4
MADRAS	1
MALE	2
MASSAWA	3
MAURITIUS	8
MOGADISHU	4
MOMBASA	4
PORT SUDAN	2
SINGAPORE	6 (But this figure is not realistic in view of the number of ships that anchor briefly in the close vicinity of Singapore)
UMM QASR	4
VISAKHAPATNAM	1
ZANZIBAR	1

Attachment V to J913/1 of 2 December 1970

PART V

AID

BRIEF NO.

10 Arms Supplies and Military Aid

11 Economic Aid

12 Aid to the Fishing Industry of the Area

13 Soviet Interest in Gulf Oil

BRIEF NO 9

NOTE ON THE SUEZ CANAL

1. In June 1967, five major obstructions were sunk in the Canal and now, after $3\frac{1}{2}$ years, they will have attracted considerable silting around them, so that the depth in their immediate areas will be less than the average 30 to 32 feet which we estimate as available elsewhere in the waterway.

2. Estimated clearance times are:-

a. Channel for trapped ships - 2 months.

b. Channel for commercial ships at pre-1967 standards, ie maximum draught 38 feet - 12 months.

c. Channel for use by Soviet warships - 6 months.

ARMS SUPPLIES AND MILITARY AID

1. Notes on Soviet arms supplies and any military aid that is being given to countries bordering the Indian Ocean are given in the paragraphs below.

ASIA

2. Iraq. For many years the Soviet Union has supplied arms to Iraq and she is still the major supplier. Although bordering on the Indian Ocean, Iraq's receipt of military aid has been primarily as a result of her importance in the Middle East context. In 1969 military equipment worth in the region of $100 million was delivered to Iraq, the main items being SU-7 and MiG 21 aircraft, T-55 tanks and OT 62/64 APCs (from Czechoslovakia). To date in 1970 there have again been significant deliveries of tanks, APCs and military vehicles, but so far fewer aircraft have been supplied than in recent years. Recent Iraqi visits to Moscow have probably been more particularly concerned with Iraqi requests for debt re-scheduling and general discussion on the Middle East situation, although there are recent indications that some sort of military agreement (scope unknown) may have been signed.

3. Iran. Soviet arms deliveries to Iran date from 1967 and initially comprised only soft-skinned vehicles (in large numbers), APCs and AD guns. However, in 1969 an agreement to supply 130mm guns was apparently signed. To date the Shah has been reluctant to accept proferred Soviet fighter aircraft, his needs being met by the United States. However, the income which has recently begun to accrue from sales of natural gas to the USSR may lead to a greater commitment for sophisticated equipment in future.

4. Pakistan. The supply of T-55 tanks and 130mm field guns commenced in 1969 following earlier deliveries of soft-skinned vehicles. A significant proportion of the weapons, particularly tanks, promised by the Russians in 1968 have not yet been delivered and this has soured relations between the 2 countries. Thus this Soviet attempt to counter the Chinese military influence in Pakistan which has become well-established since the Indo-Pakistan war does not appear to have been very successful.

5. India. India, the second largest non-Communist recipient of Soviet arms after the UAR, has since the early '60s accepted major items of equipment for all 3 services including T-55 tanks, MiG-21s, F-class submarines, Petya escorts and SAMs. Soviet assistance has also extended to the setting up of production and maintenance facilities, ie the MiG-21 production plant at Nasik and the naval base at Visakhapatnam.

6. Ceylon. The Russians have agreed to supply on military aid terms 6 twin-engined 7 passenger helicopters for the Ceylon Air Force, 3 in 1971 and 3 in 1972. Pilot training will possibly be in Russia.

7. Burma. No Soviet military assistance deals have been concluded with Burma and although a Soviet military attache is accredited to Rangoon, Soviet military influence is minimal.

8. Malaysia. Soviet military contact with Malaysia is virtually non-existent; no agreements having been made between the 2 countries.

9. Singapore. Once again no direct Soviet military aid has been given to Singapore, although its geographical location in relation to the shipping lanes to North Vietnam has meant that Soviet merchant ships bound for Haiphong use the port's facilities for bunkering (and repairs if necessary), as do hydrographic ships and others associated with the Indian Ocean space programme.

10. Indonesia. In the 1957-64 period Indonesia was a major recipient of Soviet military aid, accepting a very comprehensive range of equipment for all 3 services. Much of this is now inoperable and the supply of spares is currently a major preoccupation of the Indonesians in their dealings with the Russians. The scale of recent deliveries of these has been quite insufficient to meet requirements.

11. Peoples Republic of South Yemen (PRSY). During 1970 there have been no significant deliveries of military equipment, other than the 2 AN-24 transport aircraft which were flown in at the beginning of the year. There have, however, been continuing deliveries of small arms and ammunition, military vehicles and spare parts; some of these arms have undoubtedly been passed on to the Dhofar Liberation Front (DLF). Thus the main types of equipment, contracted for in 1968, now appear to have been delivered.

There have been several reports that the PRSY was expecting delivery of further aircraft - variously described as MiG 17s, MiG 19s and MiG 21s - but to date there is no information confirming their arrival in PRSY. Other than this, we do not anticipate a major new Soviet re-equipment programme to PRSY in the foreseeable future.

12. Yemen Arab Republic (YAR). In the last 2 years deliveries of military equipment to the YAR have slowed to a trickle. In 1969 these were limited to several small consignments of small arms and ammunition, and the pattern seems to have been repeated in 1970. With this decline in support to the YAR there has been a noticeable reduction in the number of Soviet military advisers - now thought to be no more than 30.

13. The Gulf States. The Soviet Union has not supplied arms direct to any of the Gulf States, although Czechoslovakia has reportedly made several offers of military equipment to Kuwait. These have not been taken up.

AFRICA

14. Tanzania. There have been substantial deliveries of Soviet military equipment to the Tanzanian forces in the past (APCs and soft-skinned vehicles), but recently deliveries have been restricted to small arms and ammunition. Chinese influence, however, has steadily increased; deliveries to date include tanks, field guns, Air Defence guns and patrol craft, and with the departure of the Canadian Air Force team from the mainland and the Soviet team from Zanzibar, China is now the sole provider of military training within Tanzania. (Tanzanian military students are still training in the USSR and other Soviet Bloc countries). China is building a base for the Tanzanian Navy near Dar-es-Salaam, has undertaken the training of naval personnel in China, and is to provide further patrol craft, probably next year. She is also undertaking the training of the Air Force on jet fighter aircraft, and is to provide about 17 jet fighters in 1972.

15. Kenya. Kenya has not accepted military equipment from the Soviet Union or other Communist countries.

16. Somalia Democratic Republic (Somalia). Somalia has now been a recipient of Soviet military equipment for some years. A military agreement was signed at the end of 1963, since when large quantities of military equipment including tanks, artillery, vehicles, fighter aircraft, patrol

boats and small arms and ammunition have been supplied. These deliveries have continued into 1970. A small number of SA-2 missiles are believed to have been delivered, but further deliveries appear to have been halted, possibly because manning them has proved to be beyond the Somalis' present capabilities.

17. Ethiopia. Ethiopia purchased 2 Mi-8 helicopters from the Soviet Union in 1968 and 14 Ethiopian Air Force personnel carried out conversion training on them in the Soviet Union at the end of the year. This is the first known delivery of Soviet military equipment to Ethiopia (apart from one Il-18 aircraft which has been returned to the Soviet Union.)

18. Sudan. Under an agreement signed in 1968 the Sudan acquired a large amount of Soviet military equipment including T-55 tanks, artillery, APCs and fighter aircraft; most of this has arrived. The only major item outstanding from the 1968 contract is a SA-2 missile system which has yet to be delivered. In 1969 further contracts were signed for equipment including transport aircraft and helicopters. There was an agreement with Yugoslavia in 1968 for the supply of naval vessels and with Czechoslovakia in 1969 for APCs. The USSR has a large training commitment, training being given in both the Soviet Union and Sudan. The Yugoslavs have been training the navy.

BRIEF No 11

ECONOMIC AID

1. Notes on Soviet economic aid to countries of the Indian Ocean area are contained in the paragraphs below.

ASIA

Iraq

2. Soviet economic aid to Iraq proceeded in a dilatory way after 1963 when the new Iraqi government became less cordial in its relations than in the heyday of Iraqi-Soviet co-operation in the late 1950s. However, 1969 saw the completion of several big development projects and the extension of sizeable new credits. The Baghdad-Basra standard gauge railway built with Soviet assistance, was opened in March 1969. The Soviet atomic reactor near Baghdad was also completed. In 1969 a fishery agreement was concluded providing for Soviet assistance with the establishment of a fishing fleet and fishing facilities. The extent of Soviet co-operation in the construction of the Haditha dam on the Euphrates River is still not known, but if work proceeds another sizeable Soviet credit will probably be granted. Another dam project, north of Rawal on the Euphrates, seems likely to be given Soviet assistance; Soviet experts are helping in the preparation of a survey of the area.

3. In addition Iraq has already started purchasing Soviet machinery and equipment for use in the construction of irrigation facilities in Southern Iraq. The major portion of recent Soviet aid, however, has been for the development and refining of crude oil. Drilling has started in the Rumaylah field (although the oilfield and civil engineering works are not expected to be completed until early 1972.) Meanwhile Iraqi trade with the Soviet Union has been growing - trade turnover has risen from $54.3million in 1968 to $71.6 million in 1969. This trend will doubtless be strengthened by the August 1970 agreement for an increase in trade and wider technical co-operation.

4. Iran. Economic co-operation with the Soviet Union began in 1963 following a general improvement in trade relations with other East European countries. Trade with the Soviet Union is planned to increase from $70 million (1967) to about $200 million by 1971. This will be facilitated by heavier drawings on the $580 million worth of Soviet credit

now committed to Iran for development projects, including a power and water conservation project on the Aras river, the Isfahan steel works, the Irak machine tools plant and part of the main trans-Iranian gas trunkline, formally opened in October 1970. Under a new co-operation agreement signed in October 1970 plans for a second gas pipeline to the Soviet Union are to be studied. The Soviet Union has emerged as a natural and excellent market for natural gas (the chief means whereby Iran will service its military and economic debt repayments); exports are to rise from 6,000 million cubic metres at the start to 10,000 million by 1974. Eastern European interest in Iran is also considerable and credits at present amount to $532 million.

5. Pakistan. The Soviet aid commitment to Pakistan has probably been doubled through the June 1970 promise of Soviet assistance in the building of a 1 million tons a year steel plant at Karachi. Credits are now estimated to total about $400 million, of which one-fifth has been disbursed so far. However, Soviet aid to Pakistan is still less than one-quarter of that to India, and Pakistan still accounts for under 1 per cent of the total world trade of the Soviet Union. A feasibility study of the Karachi steel plant began in February 1970, but the report has not yet been finalised, possibly because of doubts about the viability of the project. The thermal power plant at Dacca is nearing completion, and deliveries for various other projects have gone ahead. An agreement has also been concluded on co-operation in the peaceful uses of atomic energy. It seems possible that the announcement in November 1970 of large-scale new Chinese economic aid to Pakistan will stimulate further Soviet offers.

India

6. Soviet aid, although still less than 20 per cent of that from the United States, has been of major importance in India's plans to develop heavy industry. India is indeed the chief receipient of Soviet economic aid (over $1,550 million), having received 25 per cent of total Soviet credit extensions to UDC's since 1954. By the end of 1964, the Soviet contribution accounted for 25 per cent of the output of the metallurgical industry, 100 per cent of petroleum extraction, 70 per cent of oil refining and 25 per cent of electric power generation.

7. The disbursement of Soviet credits was slow at first. An acceleration became apparent after 1962, almost certainly for political reasons following the border conflict with China; and by late 1964 the Soviet aid programme had become very active. It is believed that at the time the Soviet Union felt obliged to press on more rapidly with the implementation of the aid programme in order to capture from Chinese influence the loyalty of that sector of public opinion which was left-orientated and in order to win over Premier Shastri who was less impressionable than his predecessor.

8. By the end of 1964 the Soviet Union had become India's third largest trading partner. IMF figures for the period January-June 1969 show that 14 per cent of India's total trade was with the Soviet Union, and that the Soviet Union and Eastern Europe together accounted for 21 per cent of India's total trade. A further 10 per cent annual increase in trade is aimed at in the next Soviet-Indian trade plan (1971-75) but may be difficult to achieve.

9. Mauritius. A fisheries protocol signed in August 1969 provided for local facilities for Soviet fishing vessels and the creation of a joint fishing company for which the Soviet contribution was to be 2 fishing vessels, technical information and training facilities. The company has yet to be established. Subsequently further negotiations took place and a 3-year agreement was signed in July 1970. This appears to provide for Soviet technical assistance (the details of which are to be worked out later) in exchange for harbour facilities for trawlers including crew rotation by air. Negotiations for the provision of bunkering at Grand Port are taking place between a Mauritian company and the Kuwait National Petroleum Company. It is possible that the Soviet Union could benefit from the development of such a facility.

10. Ceylon. Soviet aid to Ceylon has been steady and the 2 main projects (a steel mill and a tyre plant) were completed in 1967. Work is continuing on the expansion of facilities at the steel and tyre works as well as on land reclamation and water conservation schemes. Some $20.7 million of the $30 million extended has been disbursed, but in November 1970, a new trade credit of about $9 million to finance imports of machinery, was arranged. East German and Polish credits total rather more, but disbursements are low.

11. Burma. Burma accepted Soviet economic credits totalling $11.2 million during 1957-62, all of which has been disbursed, but subsequently was reluctant to accept further aid. Late in 1969, however, a contract was signed for the rehabilitation with Soviet technical assistance of the big tin and tungsten mines at Mawchi, and joint field surveys began in August 1970. Soviet experts have also produced designs for the Sedawgi reservoir in Mandalay, but it is not known whether the Soviet Union will actually participate in construction. Aid accepted from E Europe (E Germany and Poland) is more than twice that from the Soviet Union, but disbursements have been small.

12. Malaysia. The Soviet Union has been an important buyer of natural rubber since 1962. The first rade agreement was concluded in April 1967; and rubber exports to the Soviet Union amounted to about 200,000 tons in that year ($110 million), about 15 per cent of total Malaysian output. In 1968 Malaysia exported 269,000 tons to Russia and in 1969-70 exports were around the 200 million ton level. The balance of trade has been heavily in Malaysia's favour and efforts have been made to persuade Malaysia to import more Soviet goods. Since the visit of the Soviet Minister of Trade in March 1969 there have been repeated Soviet offers of machinery and equipment for use in the implementation of the Second Malaysian Plan (1971-75), and a Soviet trade fair was held in September 1969. During 1970 an economic co-operation agreement envisaging joint undertakings has been concluded with Rumania and trade agreements with several other East European countries.

13. Singapore. The first trade agreement was signed in April 1966, and diplomatic relations at ambassadorial level were established in June 1968. A Singapore-USSR shipping agency was set up in February 1968; a feasibility study has been completed to build a metal handfile factory; and one or 2 other joint enterprises are planned. Trade relations remain small and the balance of trade very much in favour of Singapore; Singapore now has a trade commissioner in Moscow. Ships' stores are an important export, particularly for the Soviet Antarctic Whaling Fleet, which is serviced in Singapore. (Other main exports are crude rubber and coconut oil). The Soviet Union is known to be interested in obtaining repair and other facilities for merchant ships in Singapore roads.

14. Indonesia. Only about one-quarter of Soviet economic credits (amounting to $370 million) have been utilised and 2 major projects remain unfinished, a steel works and a superphosphate works. Economic relations have been disrupted since 1966, and the Soviet Union had (like the West) to accept Indonesia's declaration of inability to repay her debts. After talks in Moscow in February 1970, an agreement was signed in Moscow on 27 August which provided for repayments to begin in December 1970 at 2.5 per cent interest over 30 years on generally similar terms to those agreed by Western creditors. The agreement also provides for an expansion in trade and a resumption of Soviet aid on uncompleted projects requiring at least $25 million more economic aid. A team of Soviet experts is due to arrive during November 1970 to inspect the uncompleted phosphate and steel projects at Tjilatjap and Tjilegon.

15. People's Republic of South Yemen. Following independence it was confidently expected that the Soviet Union would come forward with substantial economic aid. In keeping, however, with the more cautious policy that the Russians have shown in responding to economic aid requests, no agreements were concluded until February 1969 when a modest Soviet credit of $13.3 million (about one-fifth of the figure which South Yemen was supposedly seeking in 1968) was extended. Experts and equipment have been arriving for the implementation of the aid agreement which envisages the development of a fishing industry, expansion of the civil airport, development work in Aden harbour, and some irrigation facilities. South Yemen is also reported to have granted the Soviet Union permission to establish naval facilities on Socotra.

16. Yemen Arab Republic. Civil disturbance in the Yemen has severely curtailed aid activities except possibly at Hodeida Port. The Hodeida-Taiz Road has been completed, however, in addition to an airport, a concrete plant and an oxygen plant, and a cement factory is under construction. In July 1970 5,000 tons of wheat were donated as drought relief. Trade with the Soviet Union is small and amounted to only $10 million in 1969, the bulk of it being Soviet exports of machinery and equipment.

AFRICA

17. Malagasy. Since achieving independence in 1960 Malagasy has been noticeably reluctant to establish close links with any Communist country. Trade agreements were concluded with the Soviet Union and several East European bloc countries in 1964, but exchanges have remained at a very low level, probably totalling around $1 million annually. Rumania was given certain hydrocarbon search concessions in an economic co-operation agreement signed in May 1970.

18. Tanzania. A $19.8 million economic development credit was accepted from the Soviet Union in 1966 after protracted and sometimes acrimonious negotiations. Implementation has been equally difficult. So far some preliminary feasibility studies have been undertaken and work has begun on a mineral survey project, but still only on a comparatively small scale despite the signing in 1969 of a contract for the despatch of 100 Soviet geologists. On Zanzibar, Soviet and East German influence has continued to decline.

19. Kenya. Kenya accepted economic development aid from the Soviet Union to a total of about $48.7 million in 1964, but little of this has been used. The only aid project to materialise has been a Soviet "gift" hospital at Kisumu, completed and handed over in 1968. The hospital is still run by Soviet doctors. Relations between the 2 countries have on occasion been openly strained in the past, but a regular Moscow-Nairobi air service was opened in April 1970. Negotiations took place during 1970 about Rumanian participation in geological surveys and mining.

20. Somalia. Somalia has received over $60 million in economic credits from the Soviet Union since 1961 in addition to a small Czechoslovak credit and $23.6 million from China. Aid negotiations have also taken place with Bulgaria and East Germany in 1970. Soviet experts are supervising the operation of completed aid projects, including Berbera port, the fish cannery at Las Khorch and the meat factory at Mogadishu, and Somalia is believed to hope for additional Soviet credit for the reactivation of certain discontinued agricultural projects.

21. Ethiopia. Utilisation of the $117 million worth of economic development aid Ethiopia has accepted from Communist countries since 1959 has lagged markedly. Although the Soviet-aided oil refinery-cum-power station near Assab, Ethiopia's second port, came into operation in 1967, four-fifths of the Soviet $100 million credit of 1959 still remains unused. It was agreed in mid-1968, however, that a further $4 million of this credit should be drawn on for new projects. The expansion of the capacity of the Assab refinery may have been discussed in talks in Moscow in October 1970.

22. Sudan. The Sudan accepted a $22 million development credit from the Soviet Union in 1961 to finance a number of mainly agricultural projects. About half of this had been used by mid-1969 when the new Sudanese regime came to power. Negotiations for further aid were opened almost immediately; the Sudan was eager to obtain a cash loan as well as aid for the big Rahid irrigation scheme, which it had been hoped the World Bank would finance. The new economic aid agreement with the Soviet Union signed in November 1969 contained promises of aid for various projects, including Rahid, but no cash advances were made and the actual amount of new credit extended was probably not large. Teams of Soviet experts have been making studies of the Rahid scheme and other Plan projects during 1970, but no definite announcement about finance has been made. Work has, however, started on the Red Sea hills ecological research programme, a much smaller new Soviet aid project. The Sudan has received some credits from E European countries which so far have scarcely been touched. In August 1970 a first credit of $40 million was accepted from China, together with a very small amount from N Korea.

BRIEF No 12

AID TO THE FISHING INDUSTRY OF THE AREA

1. It is of some significance that since the movement of the Soviet fishing fleet to the South Arabian coast and into the Indian Ocean in 1963-64, the Soviet Union has extended a form of low-cost economic aid to several countries designed to develop local fisheries. This will prove profitable to both recipients and donor for it involves the supply of fishing vessels, the establishment of fish processing and cold storage plant, some port development and trawler repair facilities and the training of native personnel. However, the implementation of such aid has so far been slow mainly because of poor administrative ability on the part of the beneficiaries.

2. Within the Indian Ocean area, aid to fisheries development has been extended to ten countries. Since 1963 canneries and cold storage plants have been promised to Iraq, Somalia, South Yemen, Yemen, Indonesia and Tanzania, but so far delivered only to Somalia. Fishing vessels have already been delivered to South Yemen, and are to be supplied to Iraq, India, Ceylon, Yemen and Indonesia. Surveys of fish resources have already been completed or are under way in many of the countries in question, for instance in Pakistan, and Soviet vessels have during 1969-70 surveyed fishing grounds in the Arabian sea as well as in East and West Pakistan waters. In Iraq surveys of Iraq's territorial and international waters in the gulf as well as of her inland waters have recently been completed. Surveys of South Yemen's fish resources have also been made during the past year. Port improvements have already been effected in Somalia and are to be undertaken in South Yemen and elsewhere. The 1970 agreement with Mauritius provides for largely unspecified Soviet technical assistance to the fishing industry in exchange for harbour facilities and the roulement of crews by air, but in 1969 the assistance contemplated included the construction of a fish processing plant and the provision of fishing vessels.

3. The Value of Fishery Aid in a Naval Context. Fishing agreements can be used as a suitable vehicle to establish a naval maritime presence in that they can serve as the first of a number of calculated steps aimed at the ultimate acquisition of free access and shore facilities for warships at various ports. Mauritius is a good example of this type of approach. Fishery aid also provides a cover for spying and for oceanographic investigations.

BRIEF NO 13

SOVIET INTEREST IN GULF OIL

1. In the Indian Ocean area, the Soviet Union is again directing its attention towards India, after failing, in 1967, to supply adequate equipment or expertise for an off-shore drilling programme proposed by the Indian Government. A new agreement, involving assistance with a study of the country's oil resources, was signed in August this year, and the first area of study will involve off-shore drilling in the Bay of Cambay. Russia receives no conscessionary rights under this agreement.

2. The Joint Iran-USSR gas pipe line project has now been completed, and gas is being delivered to the USSR from Southern Iran. The planned throughput is 6 milliard cu.metres per annum rising to 10 eventually. It is unlikely that the Russians will extend their interest in Iran to oil. In Iraq, however, the Soviet Union is at present assisting in the development of the North Rumaila oil field, and is committed to further development projects. Under existing agreements the Soviet Union will accept small quantities of oil over a number of years in payment for oil exploration work and technical aid. It is most unlikely that such oil will enter Soviet territory, and almost certain that it will be shipped on Soviet account exclusively from the Gulf to markets east of Suez. This practice may well increase in the next few years, but the quantities involved are likely to remain small. Elsewhere in the Gulf, Soviet interest in oil has been limited so, and is likely to remain as the occasional spot purchase of small quantities for shipment to third countries.

Attachment VI to J913/1
of 2 December 1970

PART VI

SOVIET MERCHANT SHIPPING ACTIVITIES

BRIEF NO

14 Soviet Merchant Shipping Activities in the Indian Ocean

BRIEF NO 14

SOVIET MERCHANT SHIPPING ACTIVITIES IN THE INDIAN OCEAN

1. Soviet trade with countries around the Indian Ocean increased sharply after 1954, as a result of the economic and military aid programmes, and during the next ten years there was a rapid growth in shipping services to the area. In the last few years the volume of trade has levelled off, but Soviet ships are now handling cargoes formerly carried by chartered tonnage. They are also handling more cross-trade cargoes and there has been a slow but steady increase in the calls they make at Indian Ocean ports. (The map shows the major routes used and the passages they made in 1969).

2. The major portion of Soviet trade in the area is carried by three main shipping lines. One operates between the Black Sea and South-East Asia, some of the ships going on to Japan and North Korea. Cargoes for North Vietnam make up an important part of the tonnage carried on the outward journey, the vessels returning via Indonesia and Malaysia with rubber and other imports. Rubber is the most significant Soviet important from the area: in 1968 269 thousand tons came from Malaya and 42.6 thousand tons from Indonesia. This represents just under 5 per cent of Indonesia's rubber exports and 10 per cent of Malaysia's and about 95 per cent of Russia's natural rubber imports. (Natural rubber forms about 30 per cent of Russia's total rubber consumption. Another shipping line serves the routes between Soviet Far East ports and Japan, South-East Asia and the Indian subcontinent; it competes with western conference lines in carrying cross trades from Japan to these other areas. These two lines are Soviet-owned but the third line is operated jointly by the USSR and India on a 50:50 basis, each with 36 sailings a year; it carries mainly cargoes between the two countries. Two other smaller Soviet-operated lines are those between the Black Sea and East African and Red Sea Ports, and between the Black Sea and Iraq. Apart from these there are also tanker services between the Black Sea and India and Japan. Aden is also supplied by Russia with bunkering oil for her own ships to save convertible currency, and Soviet tankers are involved in cross trades from the Persian Gulf to France, Italy and Japan.

3. The Soviet merchant fleet has quadruplod in size since 1955. It now totals over 13 million dwt (10 million grt) but still makes up less than 5 per cent of total world tonnage. Recent figures are not available but of a total of about 19,000 calls made by Soviet ships at foreign ports in 1967 less than 7 per cent were to ports in the Indian Ocean and 4 per cent were to ports in South-East Asia and Australia. The cross trade cargoes carried by Soviet ships on Indian Ocean routes have increased since 1967. However, trade statistics suggest that the USSR's own shipments to and from the area have hardly changed in the last 3 years and it is probably true to say that activities in the Indian Ocean still make up only a small part of the Soviet merchant fleets' total operations. The fleet is currently expanding at the rate of 1 million dwt a year, mainly to meet the requirements of the USSR's own foreign trade. It is likely that the fleet will increase its earnings from the carriage of cross trade cargoes. Thus there will be scope for increased merchant fleet activity in the Indian Ocean but in relation to other sea areas, progress will be no more than normal.

4. The Merchant Fleet, being centrally controlled, can be made available selectively at short notice to provide logistic support for naval operations.

Attachment VII to J 913/1
of 3 December 1970

PART VII

SOVIET SPACE ACTIVITY

BRIEF NO

15 - Soviet Space Activity in the Indian Ocean

FACILITIES OTHER THAN THOSE WHERE COMMUNIST ASSISTANCE HAS BEEN GIVEN WHICH COULD BE OF POSSIBLE FUTURE INTEREST TO THE SOVIET UNION

1. Airfields

a. MAURITIUS — Plaisance Airfield. Under a recent fishing agreement the USSR is allowed to send up to one aircraft per month to the airfield with replacement crews.

b. MALDIVES — Hulule Airfield. Under development with Colombo Pact aid (through the Ceylon Government). There have been rumours that the USSR may be interested in landing rights, but we have no evidence to support these rumours.

c. ANDAMANS — Port Blair Airfield. Development as a Maritime airfield is projected by the Indians. Here to there have been rumours of possible Soviet interest, but we have no reliable evidence of this interest.

d. EAST PAKISTAN — Chittagong Airfield. A scheme has been prepared for the development of airfields in East Pakistan including the construction of a modern international airport at Chittagong. A tentative site has been chosen for this, but so far there has been no evidence of Soviet interest.

e. TANZANIA — Although the Soviet offer of defence aid was turned down by the Tanzanians, Aeroflot has an air service agreement with Tanzania with landing rights at Dar es Salaam airfield. Under an agreement between Communist China and Tanzania, China is to help in the formation of an air force and the purchase of jet fighter aircraft. A Chinese survey team has selected a new airfield site but there is no evidence that China has offered any financial aid towards the construction of the proposed new airfield.

f. SOCOTRA — The Soviet Union has recently rehabilitated the ex-RAF airstrip.

g. SEYCHELLES — International airport on Mahe should be open to traffic mid-1971

Attachment VIII to
J913/1 of
3 December 1970

PART VIII

FACILITIES

BRIEF NO.	
16	Facilities other than those where Communist Assistance has been given which could be of Possible Future Interest to the Soviet Union
17	Soviet Bloc Activities and Assistance in Port Development
18	Soviet Activities and Assistance in Airfield Development
19	Soviet Air and Coastal Defence Facility Aid
20	United Kingdom Defence Facilities in the Indian Ocean Area
21	Note on Cockburn Sound

2. Ports and Associated Facilities

a. UAR (EGYPT) — Suez Area. This is a desirable location from which to control transit of the Suez Canal. Provides deep water quays, bunkers, repair and docking facilities.

b. SUDAN — Flamingo Bay (near Port Sudan). A presence at the new naval base (due to be completed by April 1971) would facilitate the observation of Red Sea shipping movement.

c. SOMALIA — Chisimao (Kismayu). The deep water facilities here might be used to counteract British influence in, and use of, Mombasa (Kenya) and Chinese activity at Dar es Salaam (Tanzania).

d. KUWAIT — Shuwaikh, the port for Kuwait, or Ash Shuaiba are 2 ports in Kuwait open to the Persian Gulf which would make suitable bases at the head of the Gulf. They lack only repair facilities.

e. IRAN — Bandar Abbas is a modern, deep-water port close to the entrance to the Gulf. Only minor repairs can be carried out at present and there is no docking capacity. However it has a naval basin, independent of the commercial port, at which facilities are to be constructed.

f. PRSY — Socotra, Kamaran and Perim Islands have no port facilities, but the islandsare of strategic importance by their proximity to the Red Sea and Persian Gulf, and support facilities for Soviet ships could be placed there.

g. INDONESIA — Sabang, on the island of Pulau We, North Sumatra. Well sheltered natural port which has alongside berthing, repair facilities, oil fuel and fresh water available. Could control the entrance to the Malacca Strait, ideal bunkering and repair centre for voyages between the Pacific and Indian Oceans. Although the present Indonesian Government would probably not grant any 'rights' it is not thought that they would be adverse to a commercial proposition.

h.	CEYLON	Trincomalee. Largest deep-water sheltered anchorage in the Indian Ocean. Few facilities, but very large oil storage. Combined with Sabang could control the entrance to the Bay of Bengal. Some years ago Poland made an offer to finance, construct and operate a large shipbuilding yard at Trincomalee. It is possible that a similar proposal from Soviets might be considered although it is thought unlikely that the present Government would agree to grant any 'rights', though we cannot be certain of the future.
j.	WEST PAKISTAN	Sonmiana (50 miles NW of Karachi) and Phitti Creek (Indus delta S of Karachi). Both are possible locations for West Pakistan's future second port. An offer of aid by the Soviets could provide them with a foothold in the Arabian Sea and a further base from which to cover the Persian Gulf oil routes.
k.	MALDIVES	Male. Minimal port facilities, but anchorage, although open, might be of occasional use to Soviet ships, because it is located in large ocean area which is without other Soviet foothold and which includes space recovery area.
l.	ANDAMANS	Port Blair. Good sheltered natural harbour. Port facilities are small though these are under development by India who has stated that no Soviet base would be permitted.
m.	SEYCHELLES	Victoria. Good harbour and deep water quay facilities. Being improved and enlarged.

BRIEF NO. 17

SOVIET BLOC ACTIVITIES AND ASSISTANCE IN PORT DEVELOPMENT IN THE INDIAN OCEAN AREA

COUNTRY	PORT	PROJECT	PROGRESS	COUNTRY ASSISTING	REMARKS
IRAQ	BASRA	Establishment of fishing industry	In progress	USSR	
	"	Construction of shipyard	Started July '70	"	Completion date unknown
	"	Construction of dry dock	Reported Nov '70	"	Details unknown
	"	Establishment of maritime school	Planned	GDR	Details unknown
	UMM QASR	Port improvements	Planned	GDR	Erection of 4 cranes
				Bulgaria	Construction of sulphur export wharf
	FAO	Port improvements	Planned	USSR	Improvements for the export of crude oil
KUWAIT	SHUWAIKH	Assistance with fishing industry	Probably complete	USSR	Trawlers reported purchased from Russia
	"	Port improvements	In progress	Yugoslavia	Additional berths under construction
P.R.S.Y.	ADEN	Harbour deepening	In progress	USSR	Iraqi dredgers reported dredging at Aden
	"	Harbour operating	In progress	"	3 Soviet harbour pilots
YEMEN	HODEIDA	Harbour construction	Completed 1961	USSR	-
SOMALI REPUBLIC	BERBERA	Construction of new quay - two deep water berths, equipped with electric cranes	Completed 1969	USSR	Russian supervision of port operations and training of Somalis expected to continue for two or three years

COUNTRY	PORT	PROJECT	PROGRESS	COUNTRY ASSISTING	REMARKS
SUDAN	PORT SUDAN	Construction of grain silos to store 70,000 tons	Completed 1967	USSR	In use
	FLAMINGO BAY	Construction of naval base	Dredging and construction of breakwater in progress	Yugoslavia	Due for completion April 1971
INDIA	-	Shipping Protocol	Signed in New Delhi 26 May 1970	-	Agreement between India and USSR to provide repair and dry-docking facilities for their ships at each other's ports
INDIA	VISAKHAPATNAM	New naval base	Probably about 50% complete	USSR	Russian team advising on construction of base required to maintain submarines and escort type vessels purchased from USSR
EAST PAKISTAN	CHAINA	New Port	Dredging and ancillary works in progress	Yugoslavia	Yugoslav contractors. Building of berths not yet started. Reported that floating dock has been ordered for projected major repair facilities
EAST PAKISTAN	CHITTAGONG	New dry dock and repair facilities	Work started	Yugoslavia	Yugoslav aid funds
WEST PAKISTAN	GWADUR	Fisheries assistance	?	USSR	Soviet/Pakistan Fisheries agreement, no progress noted apart from new de-salination plant

COUNTRY	PORT	PROJECT	PROGRESS	COUNTRY ASSISTING	REMARKS
INDONESIA	BELAWAN	Small shipyard for naval repairs and building of small coasters	Slow. Possible completion in 1972	Poland	Equipment and technical advice from Poland 1963-1967. Now in hands of Indonesians
SINGAPORE	SINGAPORE	Repair and overhaul of Soviet "trawlers and vessels"	?	USSR	Vosper-Thornycroft Uniteers shipyard are in touch with the USSR concerning five year contract.

SOVIET ACTIVITIES AND ASSISTANCE IN AIRFIELD DEVELOPMENT IN THE INDIAN OCEAN AREA

Country	Airfield	Type of Aid	Remarks
YEMEN	RAWDAH	Russian fighter aircraft supplied; serviced by Russian experts and Yemeni trainees. New airfield built with Russian aid and under Russian supervision.	Aeroflot has air service agreement for landing rights at RUDAWDAH (new) airfield.
PR of SOUTH YEMEN	ADEN/KHORMAKSAR	Provision of Russian fighter aircraft (Mig 17) and associated equipment. Technical advice.	Aeroflot has air service agreement for landing rights at Aden/Khormaksar.
	ATAQ	Permanent runway constructed and airfield developed with Russian advice as forward base for Mig 17 aircraft.	
SOCOTRA IS	RAS KARMA	Old RAF airfield rehabilitated and made usable with Russian assistance.	Runway refurbished - 10,000 ft. Existing buildings renovated.
SOMALI REPUBLIC	MOGADISCIO	Supplied with Russian fighter and transport aircraft together with technical and associated assistance. Extension and improvement of airfields achieved carried out with Russian aid and expertise.	Aeroflot has air service agreement for landing rights at Mogadiscio.
	HARGEISA and ISCIA BAIDOA	Both airfields developed to take Russian fighter aircraft (Mig 17) with Russian aid and expertise.	
UGANDA	GULU	Asphalt runway extended and improved to take Russian fighter aircraft, with Russian aid and expertise. Flying training conducted by Russian and Czech instructors.	

Country	Airfield	Type of aid	Remarks
INDIA	NASIK	Construction of aircraft factory for the assembly of Mig 21 aircraft manufactured under licence, and provision of the associated flight testing runway.	Aeroflot has air service agreement for landing rights at DELHI and CALCUTTA airports.
PAKISTAN		Provision of specialist machinery and equipment for airfield construction. It is believed that Russian financial aid and advice may have been available for development of major airfields.	Aeroflot has air service agreement for landing rights at KARACHI airport.

SOVIET AIR AND COASTAL DEFENCE FACILITY AID TO COUNTRIES IN THE INDIAN OCEAN AREA

Country	Type of Aid/Equipment	Remarks
SOMALI REPUBLIC	At least 200 AD Artillery guns of 37,57 and 100 mm calibres. 25 WHIFF Fire Control Radars for 100mm AD guns. Coastal defence for Mogadiscio and Berbera port areas, including radars and 130mm and 152mm guns.	Somalia could now have about 15 radar controlled fire units. The increase in the supply of both guns and aircraft for air defence implies the setting-up of a radar warning and control network if the defences are to be at all effective. A small number of SA2s have been delivered; but are not operational.
PAKISTAN	See remarks	Although there have been exploratory talks between the USSR and Pakistan, as yet there has been no supply of defence armaments.
INDIA	SA-2(SAM) and Early Warning radars.	India has received considerable amounts of this type of defensive equipment. There have been reports of the provision of coastal defences but to-date there has been no confirmation.
INDONESIA	USSR has supplied all types of air defence armaments including SA-2(SAM).	Virtually all of Indonesia's equipment of Soviet origin is now unserviceable due to lack of spares and poor maintenance, following the suspension of Soviet aid after the change of government in 1965/66. The Russians are now willing to improve relations and have agreed to resume some economic aid. But military equipment and spares are only likely to be provided on a cash sale basis. The present Indonesian military regime would prefer to obtain their military supplies from countries other than the Soviet Union.
PR of SOUTH YEMEN	USSR has supplied light air defence guns and ADMG.	Some of these are used for airfield defence.

BRIEF NO 20

PRESENT UNITED KINGDOM FACILITIES IN THE INDIAN OCEAN AREA

1. The access of United Kingdom forces to the following facilities has been secured by formal agreements between Governments. Whilst freedom of use can reasonably be assumed for Masirah and Gan and the communications facility in Mauritius, in all other places military use might be constrained by political action at any time. The facilities consist of -

a.	South Africa	
	Cape Town	United Kingdom naval fuel stocks
	Simonstown	Naval dockyard facilities
b.	Portuguese East Africa	
	Majunga	Long Range Maritime Reconnaissance (LRMR) facilities for Beira Patrol only
c.	Mauritius	Defence/naval communications facility which will remain of great importance until satellite terminals become generally available for United Kingdom forces Full overflying and staging rights
d.	Kenya	
	Mombasa	Naval berthing, fuelling, storing and emergency repair facilities
	Nairobi	Limited overflying and staging rights
e.	Oman	
	Masirah	CENTO air route staging post Limited operating facilities for V bombers and LRMR aircraft
f.	Bahrein	CENTO air route staging post HQ BF Gulf Future after 1971 not known
g.	Maldives	
	Gan	CENTO air route staging post Limited operating facilities for LRMR aircraft. Naval fuel stock. Defence Communication Network relay station
h.	Singapore/Malaysia	Full facilities available (under Five Power aegis after 1971)

See also Brief No 24 on Diego Garcia

United Kingdom Force Levels

2. The present United Kingdom military presence in the Indian Ocean area (excluding the Gulf and South East Asia) consists of -

a. Beira Patrol Force

b. The United Kingdom military airfields and communication facilities at Gan, Masirah and Mauritius 1 LRMR aircraft is positioned at Gan

c. Naval liaison staffs at Simonstown and Mombasa

d. Training teams in Kenya and Uganda

3. Force Levels in the Gulf

Navy

5 Minesweepers

1 Frigate

1 Special Boat Detachment Royal Marines

Army

1 Armoured Car Squadron

1 Field Squadron RE

1 Infantry Battalion

1 L S L

RAF

2 Sqns Fighter/Ground Attack

1 Flt Tactical Transport (Medium Range) (Ex-UK)

1 Sqn Tactical Transport (Short Range)

1 Sqn LRMR

1 Flt Fighter Recce

1 Sqn Tactical Transport (Support Helicopters)

1 Flt Special Helicopters

2 Flts RAF Regiment (Ex-UK)

4. Force Levels - Malaysia/Singapore

Navy

4 Frigates

1 Minesweeper

2 Submarines

1 Submarine Depot Ship

Army

1 Armoured Car Sqn

1 Commando Lt Reg Artillery

1 Field Sqn RE

1 Gurkha Battalion

1 Gurkha Paratroop Coy

1 LSL

1 Special Boat Sqn Royal Marines

1 RS Royal Marines

2 Commandos Royal Marines (Less1 Coy)

RAF

1 Sqn Fighter/All Weather

1 Sqn Tactical Transport (Medium Range)

2 Sqns Tactical Transport (Support Helicopters)

1 Sqn LRMR (1 aircraft at Gan)

1 Sqn RAF Regiment

5. Under a new 5 Power Agreement the British contribution after 1971 will consist of:

5 DD/FF East of Suez (including Hong Kong)

1 Battalion Group (including air platoon and artillery battery)

Detachment of Nimrod LRMR aircraft

Some Whirlwind Helicopters

A submarine is being considered

Frequent visits by combat units for jungle, air and maritime training.

BRIEF NO 21

NOTE ON COCKBURN SOUND

Cockburn Sound - South and West of Fremantle Port was used as an anchorage for shallow draught vessels in World War II. As a result of the commercial exploitation of Western Australia, several firms have established bulk storage facilities with jetties - and the Fremantle Port Authorities have provided navigable access for ships up to 45 feet draught. The Australian Government have approved plans for the development of a docking and support facility for up to four escorts and three submarines, with work commencing shortly; a possible completion date is early 1973.

CONFIDENTIAL (for information only - unattributable)

Part IX Attachment
to J 913/1 of
2 December 1970

PART IX

COUNTRY NOTES

BRIEF NO.	
22	Country by Country Notes
23	Note on Mauritius
24	Note on Diego Garcia

COUNTRY BY COUNTRY NOTES

MALAGASY REPUBLIC

Fairly anti-Russian still and no relations. They condemned the invasion of Czechoslovakia and have so far resisted Russian attempts to establish commercial links. They have, however, established relations with Rumania. There are no relations with Communist China but there are with Nationalist China - if anything more anti-Chinese even than anti-Russian. There are small trade links with the Soviet Union and E European countries totalling about $1 million annually. There has been no Soviet military aid.

TANZANIA (including ZANZIBAR)

Diplomatic relations with both Russia and China. Tanzania rates as one of China's successes. Considerable influence with the armed forces and now does all their training. Also a major supplier of equipment (MiG 19s expected soon). Building a small naval base for the Tanzanians in Dar-es-Salaam and has been training Tanzania navy in China - but only on fairly small patrol boats. So far no Chinese are serving in the Armed Forces HQ. Other major aid project the TANZAM railway which has just been inaugurated. This is the biggest overseas undertaking ever by the Chinese. Despite all this, and comparable increase of influence in Zanzibar, the Tanzanians (including Nyerere himself) have reservations about the Chinese and think they will be able to control them - time will tell. The Russian influence is much less though we expect them to try to increase it in order to counter the Chinese. There is a fishery agreement with Russia.

KENYA

Russia and Kenya are in diplomatic relations but true relations are not particularly good. Over the years a number of Russian diplomats have been expelled for meddling. Nor has Kenya taken much advantage of Russian credits. Kenya has been determined to appear non-aligned (though actually pro-Western) and Russian propaganda periodically accuses her of Western-orientation. However Russia is keen to improve her position and doubtless hopes for better things post-Kenyatta; they could well succeed. Chinese relations with Kenya are worse than the Russians. This is due to past attempts to interfere, with particular relation to the banned opposition party (KPU). There is a Chinese charge d'affaires in Nairobi, but no-one seems to know how

(if at all) Kenya is represented in China. Chinese relations also could improve post-Kenyatta but they are definitely at a low ebb now. Kenya has not accepted military aid from any communist country.

SOMALIA

This is one of the Russian success stories. They train and equip the armed forces and have established considerable political influence, which has increased since the 1969 military coup. There is no evidence to suggest that the Russians had prior knowledge of the coup. However, they took advantage of their presence in the area in case assistance or the evacuation of Soviet nationals became necessary. It would be a mistake to think of Somalia as a boot-licking Soviet satellite. They are ferociously jealous of thier independence and are difficult clients. The Russian position is also somewhat ambivalent because the Somalis are themselves unpopular in Africa, particularly with neighbouring Kenya and Ethiopia; while Russia is keen to improve her relations with these 2 countries. We have noted before that the Russian influence does not seem (still) commensurate with her military and economic aid programmes. Nevertheless the Russian presence can be seen in the context of a useful sphere of influence vis-a-vis activities in the Indian Ocean. There have been a number of Russian naval visits. Somalia and Russia are in full diplomatic relations. Chinese influence by comparison is very small even though the 2 countries are in relations. There is a little bit of Chinese aid and the Chinese are reported to be trying to improve their position. It seems doubtful they will get far. Somalia also has relations with East Germany, North Korea and North Vietnam. Russian military aid including tanks, artillery, vehicles, fighter aircraft, patrol boats and small arms and ammunition have been supplied since 1963. A small number of SA-2s have been delivered, but are not operational. There is a fishery agreement with Russia. Port improvements with Russian assistance have been carried out at Berbera where the Russians supervise port operations.

ETHIOPIA

Relations with Russia are pretty cool, though in diplomatic relations. Russia suspect for inciting students and Russians have in the past been expelled (as in Kenya). The Emperor visited Moscow last May, but it is doubtful if anything will come of it. No relations with China, although Peking is believed to be seeking them. Russia, China and North Korea have all, at various times in the past, given some aid to the ELF. Drawings on Communist economic aid have been small and on the military side only 2 Mi-8 helicopters have been purchased.

SUDAN

Under an agreement signed in 1968 the Sudan acquired a large amount of Soviet military equipment including T55 tanks, artillery, APCs and fighter aircraft; most of this has arrived although the SA-2 missile system is still outstanding. An agreement for transport aircraft and helicopters was signed in 1969. There are agreements with Yugoslavia and Czechoslovakia for naval vessels and APCs respectively. A new economic aid agreement was signed with the Soviet Union in 1969 but is probably not large. Credits have also been received from E European countries, China and N Korea. The Sudanese Government is Communist orientated, but the President has recently removed a number of Communist Ministers from his Government; however there still remain a number of Ministers who are Communist sympathisers or extreme left-wingers.

YEMEN ARAB REPUBLIC

The Soviet Union supplied substantial quantities of military equipment including aircraft, and the Yemenis also obtained some Soviet equipment left behind by Egyptian forces. In the last 2 years however little new Soviet equipment has been supplied. Soviet assistance with port works at Hodeida has been given and there is a fishery agreement.

PRSY

The PRSY armed forces are dependent on Soviet equipment. The Russians have a sizeable embassy in Aden and have supplied advisers and technicians (totalling about 120) and have helped train the PRSY air force on Soviet aircraft. Russian naval and merchant vessels call at Aden port which has been improved with Soviet assistance. The Soviet Bloc has promised substantial economic assistance, much of it from E Germany. The PRSY National Front leadership maintains ideological links with both Peking and Moscow. Although the balance in the National Front is thought to be tipped somewhat in Soviet favour, China has made considerable efforts to cultivate the PRSY leadership and has offered substantial loans. China is financing a major road building project. There is a fishery agreement with the Soviet Union.

SOCOTRA

Socotra is nominally part of PRSY but its distance from the mainland and its geographical position make it very suitable for the provision of self-contained naval and air facilities. Soviet naval vessels use an anchorage off Socotra and the Russians have recently rehabilitated the ex-RAF airstrip (10,000 ft unsurfaced) and have renovated the airfield buildings. The runway is long enough for use by TU 16 aircraft, but further surface preparation would be required. A number of Soviet ships including an LST have recently gone to Socotra and it is possible that major Soviet installations may be about to be established there.

DHOFAR

Both China and the Soviet Union have provided assistance to the Dhofari rebels. The Russians have provided mainly medical help and money. (Soviet military equipment supplied to PRSY has also been passed on to the rebels.) The Chinese have provided arms and also sent some instructors to train the rebels: there are probably now about 5 Chinese instructors at the border camp at Hauf in PRSY. There is considerable Maoist influence among the hard-core rebels.

THE PERSIAN GULF

In the Persian Gulf area the Soviet Union has a large embassy in Kuwait and there is a fishery agreement between the countries of some years' standing. In Bahrein the National Liberation Front is reported to be receiving financial aid through the Soviet Embassy in Damascus and the Soviet Union has granted scholarships in Moscow to a small number of candidates from Gulf States dissident organisations. There has been an increasing Soviet interest in the Gulf symbolised by a number of naval visits. The main base for activities in the Gulf is likely to be Iraq. The Soviet Union is constructing extensive military facilities in Iraq, it undertakes training of important parts of the Iraqi armed forces and it is supplying the Iraq navy with ships fitted with guided missiles. The Soviet Union is helping to develop harbour and dry dock facilities in Basra, and port improvements are planned at Umm Qasr and Fao. The Soviet Union has a fishery agreement with Iraq.

PAKISTAN

The Russians supply arms to Pakistan, largely in order to counter Chinese influence, but their interest in it is less than in India. The Soviet Union has carried out a survey of fish resources in E and W Pakistan waters.

INDIA

The Soviet Union has an important stake in India, which is the world's largest recipient of Soviet economic aid and the second largest receipient of Soviet arms, including supersonic aircraft, submarines and support ships. There is a small Soviet naval mission at Visakhapatnam, where they are helping with the construction of an Indian naval base, but the Indians would probably be sensitive about granting the Russians anything which could be represented as a Soviet base. There is a fishery agreement with the Soviet Union. India has recently offered maintenance facilities for UAR submarines (all Russian built) at Visakhapatnam.

CEYLON

The Russians have no known facilities in Ceylon but they have agreed recently to supply 6 helicopters to the Air Force. The recent change of government, which has brought in a coalition including pro-Moscow Communists, could make it easier to obtain them if they wanted, though the Ceylonese would be anxious not to upset the Chinese. There is a fishery agreement with the Soviet Union.

MALDIVES

A mild Soviet interest in the Maldives has been apparent for some years, and the Soviet Ambassador in Colombo has made 2 visits there in recent years.

MALAYSIA

The Russians have established relations with Malaysia and are cultivating the Malaysian Government (as well as trades unionists, etc) in an effort to counter Chinese influence in the area. No question of strategic facilities has however arisen.

SINGAPORE

Singapore, like Malaysia, has established diplomatic relations with, and is being cultivated by the Soviet Union. It is possible that a Soviet team will visit Singapore shortly at the invitation of Lee Kuan Yew to investigate what repair and other facilities might be made available at Singapore to Soviet naval and merchant ships. The granting of such

facilities could have serious implications for the security of ANZUK naval shipping at Singapore and for the ability of the Soviet Union to support a significant naval presence in the Indian Ocean.

INDONESIA

The recently concluded agreement between the Soviet Union and Indonesia on debt rescheduling may help to patch up relations between the 2 2 countries, and the resumption of Soviet aid will probably result in the reappearance of a small Soviet civilian presence in Indonesia. But the Indonesian Government remain suspicious of Soviet activities.

MAURITIUS

The Russians have been showing considerable interest in Mauritius for about 2 years, and the various requests for facilities which they have made to the Mauritian Government indicate that they consider the Island of considerable strategic importance. The Mauritians, though they say they intend to refuse the Russian requests for satellite tracking and astronaut rescue facilities, have recently signed an agreement granting the Russians facilities for their fishing vessels. The social structure and internal political conditions of Mauritius provide an opening for Soviet intervention. (See Brief No 23.) The Chinese are reported to be seeking diplomatic relations with Mauritius.

UGANDA

The Russians have attempted to gain influence in Uganda and have had some success including providing a certain amount of equipment to the armed forces, including Mig 17s. So far Russian influence in Uganda is strictly limited.

ANDAMAN ISLANDS

The Indians have an advanced operating base in the Andaman Islands at Port Blair. There is an anchorage with an outer harbour for a few large vessels (eg cruiser) and a sheltered inner harbour which would take 2 to 3 ships of about 500 ft and there is room alongside for (say) a cruiser and 2 destroyers. There are moderate harbour facilities which are being improved slowly eg repair facilities (including a 200 ft dry dock), cranes and oil storage. There is an airfield which would be able to take Canberras and most transport aircraft although the larger ones would have to have to operate with a reduced load. The Andamans' main importance is that they control the northern exit from the Malacca straits - the main route between the Indian and Pacific Oceans. They also provide control of the Bay of Bengal particularly the Northern half which includes the ports of Calcutta, Rangoon, Chittagong and Chalna (both in East Pakistan).

BRIEF No 23

MAURITIUS

Area - 720 sq miles (Density approx 1200 per sq miles)

Population - Over 850,000 increasing rapidly at over 3 per cent per annum

68 per cent Indo-Mauritians (52 per cent Hindu; 16 per cent Muslim)
29 per cent mixed African and Europeans (Creoles)
3 per cent Chinese

Economy GNP (estimated) in 1969 - 879 million rupees - £66 million or US $ 158 million

Average income - 1093 rupees = (£82 or US $ 197 approx)

Political Situation

1. Mauritius became independent on 12 March 1968. It has a legislative assembly of 70 elected members of which 2 are Cabinet Ministers and 10 are Parliamentary Secretaries.

2. The Government consists of a coalition formed in December 1969 between the Mauritius Labour Party (MLP), the Parti Mauricien Social Democrate (PMSD) and Muslim Committee of Action (MCA).

3. MLP is the dominant political party with 32 seats. It is supported mainly by the Hindu community and its policies are based on Fabian ideals and nationalist feelings. It is led by Sir Seewoosagur Ramgoolam.

4. PMSD represents the middle class coloured community and the Franco-Mauritians. It has 22 seats, is led by Gaetan Duval and has conservative policies. [Duval, the Foreign Minister, resigned on 17 November but might rejoin the Cabinet. If he does not and the other 7 PMSD Ministers resign the Government will only have a majority of 6 in the Assembly.]

5. MCA represents a substantial section of the Muslim community. It has six seats.

6. The Opposition in the Assembly consists of 13 members - 7 from the Independent Forward Bloc (takes its support from low caste Hindus in the rural areas), 5 from a breakaway section of the PMSD and one member of the Mouvement Militant Mauricien (MMM).

7. The MMM is a relatively new political organisation. It is an extreme left wing and revolutionary movement, whose leaders are Maoist/Castroist sympathisers, and which represents a dangerous and dynamic new element in the political scene. It has attracted a lot of support from many of the numerous Mauritians with poor prospects of employment, among both the working class and the better-educated. Its success in a recent by-election when it won 65 per cent of the votes cast revealed a hitherto quite unexpected degree of public support even though the voters may have been showing their dissatisfaction with the Government.

Communism

8. There are various communist organisations - the Mauritius Communist Party, the Mauritius Young Communist League, the Mauritius Socialist Youth Movement, the Mauritius Lenin Youth Organisation and the Mauritius Peoples Progressive Party. All these organisations are active. There are no members in the Assembly but they gained their first electoral success in the municipal elections in March 1969. The MMM although avowedly not a communist organisation has contacts with the Communist Party of Reunion.

Trades Unions

9. There is a high level of trade union activity and the majority of the political party leaders are also trade union leaders. There are over 130 trades unions and they are grouped in 4 main federations. The Mauritius Labour Congress is affiliated to the International Confederation of Free Trades Unions (ICFTU); the Federation of Labour is affiliated to the communist-dominated World Federation of Trade Unions (WFTU) and the Trades Union Congress is affiliated to the Christian World Confederation of Labour (WCL). The General Workers Federation which consists of 9 Trades Unions controlled by the MMM was formed in August 1970 but does not appear to be affiliated to a world body yet. Although communist penetration is hampered by inter-union rivalries and personal conflicts between the leaders, there appears to be a progressive movement towards Communism in the unions. The MMM has declared its intention of penetrating the unions and has had considerable success in the last year.

Economy

10. Mauritius exists almost exclusively by growing and exporting sugar which accounts for more than 95 per cent of domestic export earnings (£29 million or US $ 69.4 million in 1969). Britain buys over half the sugar exports at a price approximately 150 per cent higher than the world price. Tea, fishing and agriculture are the other main components of the economy. Unemployment is a very serious problem on the island with approximately 1 in 3 men unemployed and there seems little hope of diversification of the economy.

Security Forces

11. The police force consists of about 1,700 all ranks. There is also a paramilitary force (Special Mobile Force) of about 350 all ranks.

Internal Problems

12. One of the main problems is communalism which is exacerbated by the fact that, broadly speaking, the political parties divide on racial lines. There is an innate hatred between certain sections of the Muslim and Creole communities which erupts in violence from time to time eg as in January 1968 when a British battalion was sent from the Far East. The racialism is intensified by religious tensions of the different communities.

13. The various social and economic problems caused by the conflicting pressures of over-population and unemployment add to the tensions. Because of the eradication of malaria in the island the population has almost doubled since 1942 and unless the present rate of growth is checked could be over 2 million by the end of the century. More than 55 per cent of the population is under 21 years of age. Unemployment figures are high and the dependence of the economy on one commodity renders it especially vulnerable. Industrial unrest is a fruitful field for violent agitation particularly as there are a large number of young unemployed. The MMM and the Communists have made considerable efforts to extend their influence in this field.

14. There are growing signs of a build up of political pressures eg the recent resignation of the Foreign Minister. The Government has postponed the general election from 1972 to 1976. As the last election was held in August 1967 there is likely to be increased political agitation and pressure for elections, particularly by the MMM fortified by the by-election result. The lack of elections deprives the younger element of an active part in politics and there is a likelihood of more violent outbreaks as frustration mounts.

Soviet penetration

15. The Russians maintain the largest mission on the island despite their (present) lack of trade and consular interest. They have been promoting cultural activities, issuing a lot of propaganda material and have granted scholarships to students.

16. Their main success has been the signing of the Fisheries Agreement in July 1970 with the provision of harbour facilities and permission for the rotation of crews of fishing boats by commercial aircraft. So far they have been less successful in their demands for facilities for a satellite tracking station and the recovery of astronauts.

17. Negotiations are also in hand for the provision of bunkering facilities at Grand Port (on the eastern side of the island near Mahebourg). This has been proposed by a private company in agreement with the Kuwait National Petroleum Company which in turn is engaged in a "swap" deal with the Russians. If the negotiations were successful it would give the Russians virtually a private facility and as the only user of the port would give them some control over its commercial viability. It could be the first step for more facilities.

British interests

18. HMS Mauritius, a naval wireless station on the island, forms an important link in the Commonwealth strategic communications network. It employs about 850 people, of whom about 230 are United Kingdom-based.

19. Britain has a defence agreement (copy enclosed in Part X) with Mauritius. The agreement covers assistance in an internal security situation, the right of HMG to ensure the security of British establishments on the island, and the right of free movement of British Forces.

Facilities

20. Port Louis is a deep water port which has one alongside berth (for ships up to 600 ft in length) and room for 10 ocean going ships at buoys within the harbour area for working by lighters. Vessels of up to 26,000 dwt can bunker at Port Louis. There are cranes and repair facilities.

21. Grand Port has a deep, natural harbour though it has a difficult approach through a barrier of coral reef, particularly during the south east trade winds. There is only a small jetty. Five old Admiralty storage tanks (4,000 tons capacity each), installed during World War II for use by the British have been refurbished recently. The harbour is about 5 miles from the airport and a reasonable road links them.

22. Plaisance Airport (near Mahebourg) is in regular use by international airlines. It has reasonably good facilities with a main runway of 8,500 ft (concrete covered with bitumen) but there is limited parking space on the aprons.

BRIEF NO 24

NOTE ON DIEGO GARCIA

1. This note outlines the present position regarding the use of the British Indian Ocean Territory (BIOT) (comprising the Chagos Archipelago, Aldabra, Farquhar and Desroches) for Anglo-American defence purposes under the Exchange of Notes of December 1966.

2. The only BIOT island on which there is a possibility that a defence facility may be constructed in the near future is Diego Garcia in the Chagos Archipelago (the ex-Mauritian part of BIOT). In September 1968 the previous Government approved in principle a United States proposal to establish a small naval refuelling and communications facility consisting of a dredged anchorage for ships, oil storage and an airstrip on Diego Garcia which lies between Ceylon and Mauritius in the centre of the Indian Ocean south of Gan. The cost of the facility would be met by the United States Government. Britain would make no financial contribution but would have the right to use the facility and would provide a liaison officer. The British flag would also fly over the facility.

3. A classified appropriations item to cover the cost of establishing the facility ($30 million) was included in the FY 70 United States budget. The appropriations item was cut out of the budget in December 1969 after hearings by appropriate Congressional committees in executive (ie secret) session because of opposition to the United States taking on additional defence commitments. The item was, however, reintroduced by the United States Administration into the FY 71 United States budget submitted to Congress in January 1970, and has again been discussed in secret session by various Congressional committees. It was recently reported out (ie passed) by the Military Construction Sub-Committee of the Senate Appropriations Committee. This follows its earlier passage through the House. The item will go shortly before the Joint House-Senate Conference, the last of the Congressional hurdles. If all goes well, the United States Administration think there may be a Congressional decision not later than mid-December. Given a favourable decision, construction of facilities at Diego Garcia could possibly begin in the spring of 1971.

4. To help in securing the necessary Congressional approval, the United States Administration changed their original plans for the facility (as described in paragraph 2 above) during the course of 1970. The project has now been presented to Congress as a "communications centre" including a 9,000 ft airstrip and some dredging of harbour facilities ostensibly for logistic support. The cost of construction has also been cut to $20 million. Some leading members of the Congressional Committees have criticised the lack of British participation in the project and the United Kingdom was recently asked to provide a limited number of communications personnel to help run the facility. The United States Administration was informed at the beginning of October that Britain would be very willing to co-operate with the American project at Diego Garcia by supplying specialised communications personnel if the United States would say what they wanted.

5. The Americans have asked that everything possible should be done to avoid any publicity until the appropriation for the construction of the facility has been approved by Congress. They fear that publicity at this stage could well arouse wider opposition in Congress and lead to rejection of the project. There have unfortunately been a number of Press leaks recently in both London and Washington about the proposed facility at Diego Garcia. At the request of the Americans, Britain and America are sticking firmly to the agreed United States/United Kingdom formula in reply to Parliamentary and Press enquiries, namely:

> "A number of islands in the Indian Ocean remain available for development for defence purposes by Her Majesty's Government and the United States Government. Whether or how we shall use them is a matter which is being kept under review by both countries since our agreement with the United States was signed in 1966. There is nothing further we can add at present."

PART X

SIMONSTOWN AND MAURITIUS DEFENCE AGREEMENTS

(Not included in this Copy)

PART XI

MAP SHOWING SOVIET ACTIVITIES

Dr Rose

Defence Department

18

Foreign and Commonwealth Office

London S.W.1

413/1

Sir John.

17

Yours ever.

Robert

Private Secretary to
the Secretary of State for
Defence.

Mr. Tesh, Defence Department

[illegible]

[illegible] the [illegible] affairs [illegible] [illegible] communicate it to [illegible].

[illegible] As you know, [illegible] policy. [illegible] proposed [illegible] to the [illegible] African [illegible] pull-outs from the [illegible], etc., if [illegible].

[illegible] We will need to consider, [illegible] information available, whether it could be better to give it to the Canadian [illegible] Minister [illegible] in any case, I should [illegible] in this Department not later than Tuesday, [illegible] if the Assessment Staff would like to discuss the [illegible] such a member of this Department, we are of course at their disposal.

([illegible] Wilson)
African Department
[illegible] December 1970

cc: Private Secretary
Mr. [illegible]
Mr. Wilson, CSAD.
Mr. Ritchie, PLAD.

[illegible]

CONFIDENTIAL

Mr C S R Giffard, FCO
Mr R M Tesh, FCO
Vice Admiral Le Bailly, Ministry of Defence
Captain J E Moore, DI 3(Navy)
Colonel J M Petit, DI 3
Group Captain Bayley, Cabinet Office

and for information to - Sir Stewart Crawford, DUSS, FCO
Sir Harold Maguire, DGI
Sir Martin Furnival Jones, Security Service
Sir Leonard Hooper, GCHQ
Lt General Sir Richard Fyffe, DCDS(I)
Sir Frank Figgures, Treasury
"C"
The Intelligence Co-ordinator
A M Simons, FCO.

I have produced the attached informal note as an attempt at summing up the main points which were made at a meeting in my room on Monday, 30 November. If any of the participants in the meeting recognise important errors or omissions, I should be obliged if they would let me know by close of play on Thursday, 3 December.

J A THOMSON

1 December 1970

CONFIDENTIAL

The Indian Ocean Area - Soviet and Chinese Capabilities, Intentions and Opportunities

Soviet Capabilities at Present

The Soviet Squadron in the Indian Ocean, though it cannot always be at operational readiness, has the capability of being the most powerful naval force in the area. With their facilities at airfields in the UAR and Iraq the Russians can fly reconnaissance, air cover and strike missions over the Red Sea, Persian Gulf and the Arabian Sea. The maritime facilities which they have acquired, through fisheries agreements with 13 countries in the area, could help to maintain their military presence. Aid agreements and political support have given the Russians additional influence in a number of countries, eg India and PRSY. With these resources the Russians are capable of giving aid and comfort to friendly governments or opposition parties in such a way as to intimidate their domestic opponents and to inhibit Western intervention. They have also a modest capability to interfere with the large amount of Western shipping in the area. But the most important capability they have so far achieved is a foot in the door, that is to say the capability of expanding their power and influence so that it might come to rival that which Britain formerly exercised in the area.

Soviet Potential Capabilities

2. With the Suez Canal open and Alexandria available as a naval base, it will be easier and cheaper for the Russians to maintain their presence and operational efficiency in the Indian Ocean and hence their naval superiority there. If they were to acquire a naval and air base within the area, eg Aden, their operational readiness and power would be still more enhanced. They would be better able to shadow Western surface forces in the area; they would also be better able to threaten Western shipping and they could effectively deny certain parts of the sea to it; they would have a considerable capability to intervene in internal security situations in favour of their friends; they might thus be able to secure pro-Russian governments in such countries as Mauritius, PRSY and Somalia. Finally, they would be able to place considerable inhibitions on Western freedom of action while at the same time increasing their own options.

Chinese Activities and Intentions

3. In the next 5 years the Chinese will not make much headway in the Indian Ocean area although they will make a major effort to secure the success of the Tanzam Railway, will take a close interest in Pakistan, India, Ceylon and PRSY, and will enter into relations with nearly all the countries in the area. The Chinese are motivated by the same sort of considerations as the Russians (see below) and just as the Russians have an anti-Chinese motive and will be spurred on by Chinese activities, so the Chinese have an anti-Russian incentive. But the achievement of Chinese intentions is a much longer range prospect than in the case of the Russian intentions, if only because the Chinese resources are so much less.

Soviet Intentions and Opportunities

4. The Russians are acquisitive of power for its own sake. They think of it like money in the bank - if you have it people respect you. You can always use it if you want - or not use it. It gives you freedom of choice. The Russians are determined to be a Super Power on the American scale. They intend to have their views taken into account when anything important is done anywhere. They want a finger in every pie. These are the main intentions underlying the expanding Soviet power in the Indian Ocean area. At present the Russians are operating on an experimental basis. If the results look good they will press further with the intention of achieving and using the capabilities outlined at paragraph 2 above.

5. Soviet policy is opportunistic in the sense that it will be looking for opportunities to enlarge Russian power and to damage Western and Chinese interests It will also be opportunistic in the sense that the Russians will be prepared to deal differently with the different parts of the area. If they could have their choice their first priority would be to drive the West out of the Arab countries and to acquire the use of local naval and air facilities, leading on eventually to the establishment of subservient governments. Their second priority would be to gain as much control as possible over every aspect of Indian policy and in this they will not neglect Pakistan and Ceylon. Their third priority would be to acquire the use of naval and air facilities and to encourage the formation of friendly governments in other strategic countries, eg Mauritius and Somalia.

E.R.

But in trying to recreate for themselves the former British dominance in the area, the Russians will not be bound by pre-determined priorities. They will be on the lookout to create opportunities both by overt and covert means eg to supplant the Chinese in Tanzania or to overthrow the Sultan of Muscat and Oman. But they will also be ready to seize opportunities they have not created, for example, social and political instability in Mauritius, or black/white tension in southern Africa. With some luck and an inadequate Western response, the Russians could before long be the most influential power in the area, and might even dominate critical parts of it. They are already well on the road to this goal.

December 1970

CONFIDENTIAL

SECRET

SIR BURKE TREND

JOINT ANGLO-AMERICAN TALKS ON THE INDIAN OCEAN AREA

You asked me this morning for a note on how these talks might be conducted.

Timing. The talks will begin in the White House on Monday, 7 [illegible] somewhat on how much time the Americans are prepared to give to [illegible] how many differences there are between us I estimate the talks [illegible] Wednesday, 9 December. You should have my report by tel[illegible] day. I will then be having further talks on separate matters [illegible] others. I will therefore still be in Washington on Monday [illegible] 14 and 15 December. This will allow people in London to [illegible] over the weekend and send further instructions on which I could [illegible] take action with the White House before the Prime Minister leaves [illegible]

Scope. I have put it to the Americans that the talks should cover [illegible] activities in the Indian Ocean Area, the Persian Gulf, the Red Sea [illegible] peripheral countries as well as the Ocean itself.

Method. I intend to conduct the talks in two stages. The first [illegible] to run over each of the Soviet (and Chinese) activities in each [illegible] in order to establish a common basis of fact. I propose to give [illegible] pieces of paper setting out the major points resulting from this [illegible] of [illegible] discussions and hope to get their oral agreement. Stage two would be [illegible] discussion of how Sino-Soviet threats might develop, what might promote them and what might hinder them and, on varying hypotheses, what the threat might be. The more agreement we can achieve the more I would seek to get [illegible] to confirm my summing up of their views. It would be this summing up, if I [illegible] think there is any question of the Americans signing an agreed document, that I would telegraph together with my comments and those of the Embassy.

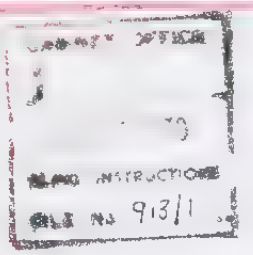
Policy. The object is a joint study of Soviet (and Chinese) capabilities and intentions in the Indian Ocean area, but when we discuss what might hinder these developments we are bound to have in mind potential Western policies. I [illegible] to be staying for part of the time in Washington with a member of Mr. Nixon's.

Cabinet and it is quite likely that I will see Dr Kissinger [illegible]. It is possible that I will be asked informally what United States [illegible] would be helpful to HM Government. Is there a line which it would be [illegible] to [illegible] in response to such queries?

(J A THOMSON)

23 November 1970

SECRET



27 November 1970

Thank you for your letter 10/52 of 25 November about the arrangements for the talks on the Indian Ocean area with Kissinger's staff.

2. I accept the American-proposed time-table set out in paragraph 2 of your letter but I think we shall certainly have to continue on Thursday. If the American domestic meeting in the White House is only to take place on Tuesday afternoon, there will presumably be no very substantive discussion before Wednesday, and I feel fairly sure we shall need more than a day on substance. I assume the Americans are prepared for morning and afternoon sessions. If they are long enough I suggest we might manage to finish on Thursday morning.

3. I note Wayne Smith's agreement to our proposals for the geographical scope of the talks. It is my intention to try to hold the talks in two parts. Part 1 would be a tour d'horizon to establish agreement on the multifarious facts of the situation. Part 2 would be an assessment of how the Soviet and Chinese threats might develpp; what might promote them; what might hinder them, and on varying hypotheses, what the ~~time~~ timing might be.

4. I am grateful to you for making Laurence Middleton available as a note-taker. The question of bringing someone from this end has been considered with both the Foreign and Commonwealth Office and the Ministry of Defence. Both are content that I should represent them. However, we were holding open the possibility of my having to bring a note-taker. Now that I know that you can provide one, you can take it, unless we telegraph to the contrary, that I will be coming on my own. I would welcome company from the Embassy from whoever is prepared to come.

5. I will at once to tell them of my trip and to suggest that I should spend all day at the Agency on Monday 14 December. Assuming this is convenient, the time-table will leave me with spare time on Tuesday afternoon (when the Americans domestic talks are taking place), Friday afternoon (leaving Friday morning free in case drafting can not be completed on Thursday) and ~~Tuesday~~ morning, 15 December. The other possibility would be Monday afternoon, 7 December, assuming that I shall be able to see you and whoever else is concerned in the Embassy ~~with me~~. Given this time-table, may I leave it to somebody at your end to arrange for me to see that morning.

T A K Elliott, Esq., CMG.,
Head of Chancery,
British Embassy,
Washington D.C.

SECRET

Bill Cargo and George Springsteen as well as the people mentioned in my letter of 20 November.

6. I assume that for some reason this letter of 20 November had not reached you when you wrote to me on 25 November. May I take it that I will be met at Dulles Airport on Sunday 6 December at 3.50 pm local time and that an hotel reservation will have been made for me?

7. Finally, it would be a great help in the extensive preparations which we are making at this end, to know as soon as possible on the lines of paragraph 6 of your letter, whether there are any special points which the Americans would like us to cover. Even if they do not mention any, perhaps you have some ideas.

H A THOMSON

PS This letter has been dictated in great haste to catch a bag & need month again next week.

SECRET

BRITISH EMBASSY
WASHINGTON, D.C.

25 November, 1970.

FILE INSTRUCTIONS
FILE No. 913/1

Dear John,

Thank you for your letter of 18 November about your visit to Washington for talks on the Indian Ocean with Kissinger's staff.

2. Guy Millard has discussed this on the lines of your letter with Wayne Smith at the White House. Wayne Smith said that as regards the timetable it would also suit him better not to begin the talks until Tuesday, 8 December, and he suggested a meeting at 10 a.m. on that day. However, he also said that the American study of this subject, known as NSSM 104, would be taken at a meeting in the White House at 2 p.m. on that day, and that he would not have a great deal to say until after that discussion. He therefore suggested that the meeting on the morning of Tuesday, 8 December, should be devoted mainly to hearing our assessments and clarifying any questions which the American side might raise on them. He himself was thinking in terms of two days for the talks, Tuesday and Wednesday, but agreed that the possibility of continuing on Thursday should be left open.

3. Wayne Smith also agreed that the talks should be concerned with the "Indian Ocean area" and should take in the littoral countries of the Persian Gulf and the Red Sea, as well as of the Indian Ocean itself, insofar as their affairs are relevant to the expansion of Soviet and Chinese influence. He said that the Americans would be extremely interested to hear our assessment of Soviet and Chinese activities.

4. He agreed that we should provide a note-taker from the Embassy, who should be someone cleared for "all sources". Laurence Middleton will do this. I hope that you would see no objection if either Guy or Clive or I were to sit in on the talks as well.

5. It did not sound as though Wayne Smith had given much thought to the composition of the American team. As regards participation by the CIA, he observed that his relations with all Agencies in Washington were "tarnished", but with the CIA rather less so than with most and that he could not therefore see any reason why they should not take part. He would think this over. Meanwhile he saw no objection to your telling the reason for your visit and going ahead to fix up with them the other talks which you want to have with the Agency on 14 December.

/6. Wayne

J. A. Thomson, Esq.
Cabinet Office,
LONDON, S.W.1.

SECRET

6. Wayne Smith said that he would consider and let us know whether there were any special points which the Americans would like us to cover in the talks. When he does so we will try to confirm with him that the CIA will participate.

7. The above I think covers the points in your letter. I should perhaps add that when Clive Rose sat next to Kissinger at dinner at the Embassy on 23 November for Lord Carrington, Kissinger said that he had not yet given much thought to this subject and that he doubted whether he would have had a chance to read the paper which his staff were preparing before your talks. The implication was that until he had done so, the Americans would be unlikely to have a firm position. However, from what Wayne Smith said, it looks as though the Americans should have something to say after the meeting on 8 December.

8. I should add that Mort Goldstein, the U.K. Country Director, mentioned to me yesterday that various people in the State Department, notably Bill Cargo and George Springsteen, would like to see you while you are here. I said that I was sure you would want to arrange this if you could, and that the end of the week, e.g. Friday, 11 December, would probably be the most suitable time. Could you let me know what you think?

9. Finally, are you thinking of bringing someone else with you for the talks, e.g. from the Ministry of Defence or F.C.O.? If you are, would you let us know and we will make the necessary administrative arrangements.

Yours ever

Antony Elliott

(T. A. K. Elliott)

CONFIDENTIAL

01-930 5422

CABINET OFFICE
LONDON S.W.1

26 November 1970

My dear Admiral,

This letter is mainly to confirm that after your lunch on Monday 30 November, I have arranged a meeting in my office for 2.45 pm to talk about Sino-Soviet capabilities and intentions in the Indian Ocean area.

2. As you know, a compendious brief (which I have not myself seen in detail) has been prepared and will be circulated at the end of this week. The cover note to the brief asks that any further comments or additions should be telephoned or sent in writing. I hope that at the meeting on Monday we can take the facts of the situation as read and concentrate on some judgments and hypotheses. In the last few months when there has been much discussion of the question, no-one has suggested that there is anything significantly wrong with the JIC(A)'s latest pronouncement on the subject, namely JIC(A)(69) 33(Final) of 28 January 1970. Accordingly, unless instructed to the contrary, I assume this is basic doctrine, but I would like to explore some of the ideas further. As a possible basis for discussion, I enclose a note setting out some questions in the first part, and in the second some summary judgments. Before preparing this brief note I had hoped to have an answer from the Embassy at Washington to my letters asking for some indication of how the Americans wanted to conduct the talks. I assume that Washington has been unable to reply so far because of the illness of Mr Wayne Smith of the White House staff, who is to conduct the talks on the American side.

J 9/3/1

Also A

See (end para 3)

3. I am sending a copy of this letter, together with its enclosure, to Sidney Giffard, the Head of Eastern European and Soviet Department, and to Robert Tesh, the Head of Defence Department, both in the FCO. They have kindly agreed to come to the meeting on Monday and I hope that both of them as well as yourself will be ready to suggest the questions and answers which I have missed in preparing the enclosed note. I am also sending a copy of this letter to Sir Stewart Crawford for information, and because he may think it appropriate to raise this subject at the JIC meeting on Thursday, 3 December.

We have a long agenda! Let us see.

Yours ever,
John Thomson

J A THOMSON

Vice Admiral Le Bailly, CB OBE.,
Room 4127,
Ministry of Defence,
Main Building,
Whitehall,
London S.W.1.

E.R.

Sino-Soviet Capabilities and Intentions in the Indian Ocean Area

PART 1

1. How difficult is it to operate a sizeable naval force on a continuous basis in tropical waters? How good are the Russians at doing this?

2. How important might the Indian Ocean become as an operating area for either Soviet or Western ballistic missile nuclear submarines?

3. How much use on shore in support of say a threatened government would Soviet naval infantry or seamen be on the assumption that there was no significant air opposition?

4. Do the Russians see the Indian Ocean as a unified area?

5. How do Russian intentions and policies in the Indian Ocean area relate to their policy as a whole?

6. If there was a major East/West crisis originating not in the Indian Ocean area, eg over Berlin or Cuba, what might the Russians do with their forces in the Indian Ocean area? Conversely, if the crisis arose in the Indian Ocean area, would the Russians be more likely to withdraw or reinforce?

7. If the Western military and naval presence in the Indian Ocean area is significantly increased, what are the Russian reactions likely to be?

8. To what extent and in what way is Soviet policy in the Indian Ocean area likely to be influenced by Chinese activities there?

9. Is it at all likely that the Russians might become interested in any of the French territories in the Indian Ocean, and are any of these territories of strategic importance?

10. How much interest do the Japanese have in the Indian Ocean area, and might Japanese naval ships be deployed there in the course of the next five years?

11. Will the new Five-Power defence arrangements significantly influence any of the other peripheral countries or the Soviet Union?

12. How sensitive are the Russians likely to be to public expressions in the peripheral countries to their naval presence in the Indian Ocean? Would the attitude be different if the hostility was expressed to Western as well as Soviet naval forces?

13. Does the Soviet Union have any <u>vital</u> interests in the Indian Ocean area?

14. Is there any prospect that the Chinese might deploy a permanent naval presence in the Indian Ocean in the next five years?

E.R.

PART 2

1. The Soviet Union does not have a policy for the Indian Ocean area as a single unit. It has a bunch of policies for Africa, the Gulf, the Sub-Continent, etc.,

2. The Russians were impressed (as their military literature shows) by the successful British interventions in East Africa and the Persian Gulf in the first half of the 1960s. In principle they are prepared to do the same sort of thing in the Indian Ocean.

3. The Russians are acquisitive of power for its own sake. They think of it like money in the bank - if you have it people respect you. You can always use it if you want - or not use it. It gives you freedom of choice.

4. The Russians are determined to be a Super Power on the American scale. They intend to have their views taken into account when anything importa is done anywhere. They want a finger in every pie.

5. These are the main reasons why the Soviet Union is expanding its power in the Indian Ocean area.

6. For the most part the countries bordering the Indian Ocean don't rank very high in the Soviet list of priorities. The main exceptions are India and Pakistan on the one hand and the UAR on the other.

7. If we want to know what the Russians may do in the Indian Ocean, we shou look at what they have done and are doing in the Mediterranean.

8. The Suez Canal and the UAR are natural links between the two seas. The Russians do not have separate policies for the two seas. It is rath an extension of their general Mediterranean policy to the Indian Ocean.

9. Given the size of the British forces and the standards of efficiency of the Indian and Pakistani navies, the Soviet fleet is at present the most effective and powerful naval force in the Indian Ocean area. The Russians would like to keep it that way.

10. If the West does deploy a superior naval force to the area, the Soviet Union will riposte by -

a. increasing the size of their naval and fishing fleets normally maintained in the Indian Ocean area;

b. looking for facilities which will make it easier and cheaper to maintain such a fleet on station;

c. looking for some means of deploying land-based reconnaissance and potentially offensive aircraft in the area, and

d. stirring up as much Indian and other local protest against the Western presence as they can.

E.R.

11. The Russians would like to make Mauritius (and or ? the Seychelles) into a cheaper Cuba. The Russians will pick up what they can in Somalia but will not regard it as a good base for operations in Africa. They are more likely to concentrate on the Sudan.

12. The Russians will not care very much about the local Communist parties except in so far as it is necessary to combat the Chinese. Their main objective will be to influence those in power rather than to replace them with Communists.

13. The Chinese will only make a limited effort in the Indian Ocean area but they will be determined to make a success of the TanZam Railway and will be very concerned about India and Pakistan.

14. The Japanese economic interest in the area will continue to grow and the Japanese might send naval units on goodwill visits in about five years' time.

15. It is axiomatic that most of Black Africa will remain antagonistic to South Africa and that the balance of power between them will not alter much in the next five years.

16. The French will not deploy naval forces permanently in the Indian Ocean.

17. It will not be a major Russian objective to acquire control of oil supplies in the Gulf. But they will be on the look-out to pick up oil cheaply which they can sell for hard currency and also for any opportunities to damage Western oil interests.

18. Russian trade with the Indian Ocean area will increase but not noticeably more so than Russian trade generally. The same is true of Russian merchant marine activities in the area.

Reg 15b

SECRET

WHITEHALL 5422

CABINET OFFICE

LONDON S.W.1

20 November 1970

Dear Anthony, 15a

Since my letter of 18 November about the Indian Ocean Area talks, I have seen Washington telegram No 2404, and I dare say by now you will have had the reply in FCO telegram No 2654. When Wayne Smith returns I shall of course be interested to have his views on the scope, timing and other details of the talks. Meanwhile I note that the State Dept. has now brought in. May I assume that theCIA has also?

2. I do not think that I can add to what I have already said about the length of the talks except to say that the calculations in my letter of 18 November were based on the supposition that the first meeting would be three hours long and that the three subsequent meetings would be two hours each; but clearly it would be ridiculous to be precise about the number of hours, especially without knowing what shape the Americans wish to give to the talks.

3. As regards my time-table, I plan to arrive at Dulles Airport on Sunday 6 December at 3.50 pm local time (TWA Flight TW 709). Would it be possible for the Embassy to meet me? On Monday morning I will come into the Embassy to see you and to get advice from Chancery about who is involved on the American side and how to handle them. On Monday afternoon, the talks begin. I assume there will be two sessions, morning and afternoon, on Tuesday and at least one on Wednesday. It will be necessary to put aside the whole of Thursday morning for drafting a report to London. Friday should be available for meetings with others. I would be happy to see Sonnenfeldt and anyone else in the White House who might be appropriate. I would also like to see Ron Spiers in the State Department and I think I should offer myself to Ray Kline. If necessary appointments to see these or other people could probably be made for Thursday afternoon, but on the whole Friday seems to me safer. As I suggested in my earlier letter, Monday 14 December might be reserved for the CIA with the possibility of a carry-over to the following day. In making arrangements with the CIA it would perhaps be prudent to bear in mind the possibility that there might be a come-back from London to the reporting telegram which would make a further meeting with Wayne Smith necessary, probably on Monday. It would be my intention to leave Washington for New York on Tuesday afternoon, or if that is not convenient, on Wednesday morning.

4. As I said in my earlier letter, I will let you know fully about my accommodation arrangements, but as a start, would it be possible for the Embassy to get me an hotel reservation for the first two nights, Sunday 6 December and Monday, 7 December? My object on Sunday will be to have an early supper and get as much sleep as possible.

Yours ever
John

J A THOMSON

T A K Elliott Esq CMG
British Embassy, Washington DC.

18 November 1970

As you know, I am coming to Washington early in December for talks on the Indian Ocean with Kissinger's staff. The latest position about the arrangements as I know it is contained in FCO Telegram No 2577 to you of 11 November, saying that I will be available to start work on Monday, 7 December. The purpose of this letter is to let you know what my circumstances and problems are, and to enlist your kind help.

2. The overriding consideration is that I should be in a position to telegraph a report of my discussions so that it is available in London, particularly in Number 10, by the week-end beginning on Friday evening, 11 December. At the other end I have for long been engaged to attend a conference at Windsor on the 4th and 5th December. Sir Burke Trend made special arrangements for me to go to this conference, and although it must take second place to the deadline for reporting to London, it does mean that it would be preferable for me not to leave London before Sunday, 6 December. And, given the pace of events here, I confess I should not be heartbroken if the American timetable was such that I did not leave until Monday, 7 December. The question then arises of how long the talks are likely to take and how much time the Americans are prepared to put aside on given days for the talks. The latter point presumably depends on who will be talking on the American side and the former will be largely conditioned by how much and how quickly we find our points of view coinciding. At present I find it difficult to give answers to any of these questions, but very provisionally I would guess that we should be able to conclude the talks in two days, but that it would be prudent to allow three. Thus it seems to me that we ought to aim to finish the talks at the latest by Thursday evening so that a telegram might be sent by lunch time on Friday, 11 December.

3. We envisage talking about the "Indian Ocean area" rather than merely about the ocean. The potential distinction between the two is that the area covers the Red Sea and the Persian Gulf as well as the countries bordering on these two bodies of water, and the Ocean itself. We do not intend to discuss the internal affairs of the peripheral countries except

T A K Elliott, Esq., CMG.,
Head of Chancery,
British Embassy,
Washington DC.

as they may be relevant to the possible expansion of Soviet or Chinese influence. Thus in talking about the Gulf we would not expect to cover the same sort of ground as Sir Philip Adams will be going over with the State Department. Our object is to explain to the Americans and to get their views on what the Russians and the Chinese are up to in the Indian Ocean area, and how their activities in this area may develop. We hope, of course, if our views are not identical at the outset, to convince the Americans that they should adopt the British assessment, or at least that they should accept that it is sincerely held and firmly based on reasonable evidence.

4. We shall certainly need a record-taker at the talks and it is conceivable that some drafting assistance may also be required. I imagine that in any case you would think it right for someone from Chancery to attend the talks. Would such a person be able to take the record or if he is too senior, would you be able to provide another member of Chancery for this purpose?

5. Is there any indication yet of who the principle participants on the American side are likely to be? You will no doubt want to make sure that the Americans share, or at least have no objection to, the concept of the Indian Ocean area set out in paragraph 3, since this may affect both the composition of their team and their advance preparations. We for our part would be glad to know whether there are any special points which the Americans expect us to cover. We are proceeding on the assumption that the classification of the talks will be "all sources". This may I suppose affect the question of who might be available as a record-taker if, as I hope, you can provide someone for this purpose.

6. I am long overdue to visit Washington. Earlier tentative plans which did not even get to the stage of my writing to Eddie Bolland had to be cancelled - first because of our General Election, and then because of my breaking an ankle. Since I am to be in Washington anyway in December, I must try to see some people in the CIA. So far I have not disclosed to the CIA representatives here that I am coming to Washington, but I cannot avoid doing so for much longer. What I expect and hope to hear from you is that the CIA will have a representative at the talks. Assuming this to be the case, I can then explain frankly to the CIA representatives here why I am coming to Washington, and can ask them to make arrangements for me to see a selection of people at the Agency. Given the time-table I have described above, I would expect that the best time from my point of view for a visit to the Agency would be on Monday, 14 December, with possibly a carry-over to the following day. On the assumption that the CIA are represented at the Indian Ocean area talks, the three subjects on which I would be most interested in a discussion at the Agency are: Soviet activities in the Middle East, the development of the Soviet strategic forces, and more generally, Soviet-politico strategy, especially towards the West. If by any chance the CIA were not represented at the White House talks, then I imagine Sino-Soviet activity in the Indian Ocean area should be added as a fourth subject to this list. Even without this addition, I do not think we could cover the ground satisfactorily in less than a full day.

7. You will see from the foregoing that I am not asking Eddie Bolland to take any action with the Agency at present, but as soon as you can let me know about the programme for the White House talks, I will tell the CIA representatives here of my forthcoming visit and will then immediately write to Eddie to confirm dates, topics, names, etc.,

8. I am now investigating my own logistic arrangements and will let you know when I have done so about exactly when and where I am likely to arrive and what my address or addresses in Washington will be.

J A THOMSON

Reg 15

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J 829 COPY NO

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NATIONAL INTELLIGENCE COMMITTEE (AUSTRALIA)

THE SOVIET NAVAL PRESENCE IN THE INDIAN OCEAN NIC 86(70)
dated 10 OCTOBER 1970 (SECRET)

1. Twenty copies of the above document received from the Secretary, National Intelligence Committee, Australia, have been distributed by direction of the Secretary, Joint Intelligence Committees as follows:

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2. Enquiries should be made to Miss Day (ext 709).

Cabinet Office SW1
11 November 1970

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DP 36/70 (Revised Final)

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DEFENCE CONTRIBUTION TO THE PRESERVATION OF UK INTERESTS IN THE INDIAN OCEAN IN THE 1970s

INTRODUCTION

1. In November 1969, we expressed (1) our concern on the possibility of the Russians obtaining a foothold in Mauritius. In March 1970 we assessed (2) the value of defence facilities in South Africa, provided under the terms of the Simonstown agreement, as far as UK and western defence interests are concerned.

2. More recently we were associated in the preparation of a memorandum (3) on Defence Aspects of Arms Sales to South Africa which the Secretary of State for Defence submitted to the Defence and Overseas Policy Committee in September 1970. This memorandum, although it considered the defence interests in the Indian Ocean, and the Soviet threat to them, in general terms, was mainly concerned with their relevance to South Africa. The main conclusion was that, from the defence point of view, it was important to avoid the need to choose between our interests in Black Africa and South Africa and that we should maintain co-operation with both, and also with other Indian Ocean countries. But it would be less harmful to put at risk South Africa's co-operation, if only it came to that, than that of Black Africa and other Indian Ocean Countries.

3. In view of the limited scope of our earlier studies (1) (2) and of recent official and public discussion on the threat in the Indian Ocean and the measures needed to counter it, we consider that it is appropriate now to look at the UK defence position in the Indian Ocean as a whole and to examine the part which Defence can play in the preservation of UK interests in the area during the 1970s. In this context we take the Indian Ocean to be the area bordered by the African, Asian and Australian continents.

AIM

4. The aim of this paper is to study in general terms the contribution which Defence can make to the preservation of the main UK interests in the Indian Ocean in the 1970s.

Notes:

1. E 31/1 dated 14 November 1969.
2. OOS 16/70.
3. DOP (70) 20.

D/3 [illegible] (Revised Draft)
(Contin[illegible])

[illegible] CAL AND [illegible] TO INTERESTS IN [illegible]

Politics

5. The Indian Ocean is an area where there are no clearly defined spheres of influence of major external powers. It is bordered by three continents containing many nations of diverse races and creeds. It is an increasingly fertile area for competition and clash involving both external powers and indigenous countries.

6. The fundamental UK political interest in the area is to ensure conditions of stability and prosperity and freedom from intimidation favourable to the west. To this end, one [illegible] is to contain and counter any efforts to destroy stability particularly by Russia and China. Everything possible should be done to prevent those conditions of poverty and political [illegible] which past experience has shown to be the breeding ground of Communist subversion and penetration; this interest is shared by many other nations.

7. The furtherance of this policy, to the extent that this is possible through the political instrument of HMG, is largely a matter of persuasion [illegible]. In this context it is particularly important to introduce into our perceptions and calculations the objective factors which reduce the effectiveness of the influence which the UK has.

Economic

8. The countries [illegible] the Indian Ocean account for 22% of the UK's [illegible] (imports plus exports, both visible and invisible trade); this figure is made up of: [illegible], South Africa [illegible], the Gulf [illegible], Southern Asia [illegible], South East Asia [illegible], and Eastern Africa (Lesotho to [illegible]) [illegible]. In return the UK exports manufactured goods and services to the area in return for food and raw materials, these include over 15% of the UK's crude and refined [illegible] from the Gulf, 29% of the non-ferrous metal imports, and a high proportion of certain foodstuffs. Over [illegible] of the total UK [illegible] trade is to countries in the area and about [illegible] of the UK's direct overseas investment (book value), [illegible] in the countries of the area, notably 20% in Australasia and [illegible] in South Africa.

9. Following the closing of the Suez Canal, the trade route round the Cape of Good Hope carried [illegible] of the UK's seaborne trade, more than any other route except the short route between the UK and Europe, and there were about 230 UK merchant ships at sea in the Indian Ocean at any one time. However, the proportion of trade with Commonwealth countries is reducing and that with the developed countries of Western Europe and North America increasing. New sources of raw materials are being developed closer to the UK, particularly

Note:

2. COS 16/70.

[illegible]

[illegible] from West [illegible] into the [illegible] of the [illegible] of [illegible] to [illegible] the re-opening of the Suez Canal [illegible] the Persian Gulf [illegible] the development of super tankers [illegible] the Cape route [illegible] more important to the [illegible] trading partners than previously.

[illegible]

10. [illegible] trade [illegible] Indian Ocean.

a. [illegible] protection of [illegible] of the [illegible] of the [illegible] of [illegible].

b. [illegible] Viz. [illegible] ocean [illegible].

c. The [illegible] of our defence commitments, viz: [illegible] defence [illegible] the [illegible] of [illegible] keep [illegible].

d. The [illegible] protection [illegible] of our nationals.

e. In [illegible] possible [illegible] in the face of [illegible].

In addition to the [illegible] nature which, [illegible] Indian Ocean area, [illegible] or through [illegible] include UK [illegible] 20 [illegible], a possible need [illegible] in Hong Kong and [illegible], [illegible], and a possible continuing commitment in the area of the Gulf. Australian tasks which could arise include support of United Nations or [illegible] in the area; a contribution to the Western Survey [illegible]; and nuclear [illegible] the deployment of Western Polaris submarines.

11. Both the [illegible] importance of the UK's trade routes in the area and the [illegible] defence tasks set out above lead to the conclusion that the main defence interest in the Indian Ocean is to [illegible] the free movement of warships and

DP 36/70 (Revised Final)
(Continued)

military airfields. [illegible] military facilities in the area are [illegible] concerned with movement and communication [illegible] are set out in Annex [illegible]. Some of the facilities also provide potential sites for intelligence gathering agencies.

[illegible]

[illegible]

12. The main aims of overseas [illegible] to carry out an ambitious and developing programme of politico-military activity designed to show the Soviet Union as a world power, to support Russian foreign policy, extend Russian influence [illegible] Russian influence [illegible]. The Russians also seek to contain [illegible] influence in the area. Clearly any strengthening of [illegible] economic and political influence overseas is likely to be at the expense of western and UK interests.

13. The Russians are likely to be as inhibited as the West from exploiting opportunities to increase their influence, including offering military support. They have shown their willingness, in certain circumstances, to become directly involved in military activity overseas (eg, in the [illegible]). They have probably [illegible], and are prepared to accept, the risk to themselves and the danger of escalation which are inherent in such activity.

14. In calculating the dangers involved, the Russians will probably be guided by their assessment of likely American reactions. They [illegible] (5) to avoid a military clash with the Americans and, for the moment at any rate, a major East-West diplomatic crisis. However, the evidence strongly suggests that this may be [illegible] in the light of the development of their own military, especially vis-a-vis that of the US and of a more sophisticated approach to crisis management. They may consequently [illegible] have more room for manoeuvre in areas where they [illegible] interests are not involved or where they [illegible] lost the will to defend its interests. [illegible] directly dependent upon Indian Ocean [illegible] western countries. It may therefore not [illegible] to count upon US involvement in Indian Ocean [illegible], particularly if countries more directly concerned [illegible] reasonable measures for defence of their [illegible].

15. A further [illegible] in the Indian Ocean may stem from the need to [illegible] deployment of western Polaris submarines [illegible] within striking

Notes:

1. [illegible]
2. [illegible] dated 15 October 1970.

[illegible]

[illegible]

[illegible]

[illegible]

35. [illegible]

35. Against [illegible] that take positive [illegible] of shipping in [illegible] should be [illegible] other countries [illegible] possibly [illegible] as in the case of [illegible] consider this further [illegible] principle as [illegible] of further detailed [illegible].

Use of Defence [illegible]

36. The [illegible] are [illegible] Indian Ocean [illegible] may wish to use [illegible] host country [illegible] of the country [illegible].

37. If the [illegible] 1970s are to be [illegible] be important to [illegible] defence facilities [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

4. The principal [illegible] defence resources [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

A [illegible]

UK FORCES [illegible]

Force Levels

1. The present UK military [illegible] excluding the Gulf and SE Asia [illegible]

a. Beira Patrol Force: [illegible]

b. Up to 2 warships and 1 [illegible]

c. The UK military airfields [illegible] facilities at [illegible] aircraft is [illegible]

d. Naval liaison [illegible]

e. Training teams in Kenya [illegible]

2. UK maritime forces take part in [illegible] exercises which is held in the [illegible] Australian/UK maritime exercise [illegible] the eastern part of the Indian Ocean. [illegible] Pakistan maritime exercises which took [illegible] of Bengal, lapsed at the time of the [illegible] efforts to restart the series on a [illegible] successful.

3. After 1971 the planned UK maritime [illegible] probably consist of 5 DD/FF, 1 MK, some [illegible] 4 LRMR aircraft. An extra DF/DD may be [illegible] Patrol continues. The commitment [illegible] Malaysian area, Hong Kong, and [illegible] unlikely that there will be more than [illegible] Indian Ocean, apart from those that [illegible] Patrol.

4. There will be a large [illegible] the area in the latter half of 1971 [illegible] and to recover some of the East of Suez [illegible] deployment and any similar ones after [illegible] expense of other commitments, [illegible]

Existing Facilities

5. The access of UK forces to the [illegible] secured by formal agreement between [illegible] of use can reasonably be claimed for [illegible] communications facility in Mauritius, in all other [illegible] use might be constrained by political action [illegible] facilities consist of:

[illegible]

a. [illegible]

Cape Town [illegible]

Simonstown [illegible]

b. [illegible]

[illegible]

c. [illegible]

[illegible]

d. [illegible]

Mombasa [illegible]

Nairobi [illegible]

e. Oman

Masirah [illegible]

f. Valletta

Gan [illegible]

g. [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

SECRET

Registry 13

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CABINET

JOINT INTELLIGENCE COMMITTEE (A)

CONFIDENTIAL ANNEX
TO
JIC(A)(70) 43rd MEETING HELD ON
THURSDAY 5 NOVEMBER 1970

9. DISCUSSIONS WITH THE UNITED STATES ON THE INDIAN OCEAN

THE CHAIRMAN said that following the recent meeting between President Nixon and the Prime Minister, arrangements were in hand for pursuing the proposed made for a United Kingdom/United States joint study on Soviet intentions in the Indian Ocean. It was likely that the study group would meet in Washington towards the end of the month: the object would be to produce a paper in time for the Prime Minister's meeting with President Nixon in December. The Chief of the Assessments Staff had been nominated to take part in the joint discussion. He would propose that the Committee commission the Assessments Staff to review the papers which had already been prepared on Soviet activities in the Indian Ocean in order to establish whether any further papers were required in the context of the joint study.

In the discussion it was agreed that the Assessments Staff should examine the recent JIC papers on the Indian Ocean with a view to establishing whether any further briefing material or new assessment was necessary. It was also agreed that the study should be on a broad basis and should cover the Persian Gulf and Red Sea.

The Committee -

Instructed the Chief of the Assessments Staff to take action along the lines indicated in the discussion.

Cabinet Office SW1

5 November 1970

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12

SECURITY WARNINGS

1. Category 'A' Cypher telegram. Paraphrase NOT required.
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3. The Cabinet Office Communications Centre (Tel. No. WHI 5422 Ext. [illegible]) must be consulted if it is desired to distribute or release this telegram, or any part of it, to a person or nation who would not normally be authorised to receive it.

FM:- JIC LONDON DTG:- 1415 (GMT) 14/10/70

TO:- BHC CANBERRA

TELNO:- JICTEL 788

DATED:- 14 OCTOBER 1970

PRIORITY

913/1 copy 829/2

S E C R E T

JICTEL 788 DATED 14 OCTOBER 1970.

FOR JIC (L) REP. FROM SECRETARY JIC

REFERENCE YOUR TELNO 1143 TO F C O.

SUMMARY AND CONCLUSIONS OF JIC(68)12 REMAIN VALID. ALTHOUGH IF WE WERE WRITING IT TODAY WE WOULD PROBABLY CHANGE EMPHASIS, FOR EXAMPLE STRESSING FLEXIBILITY OF SOVIET USE OF SEAPOWER, AND EXPANDING ON TECHNIQUES OF USING IT FOR POLITICAL PURPOSES, AND MIGHT EVEN DELETE CONCLUSIONS AS BEING TOO SELECTIVE OF THE POINTS IN THE SUMMARY. BUT SO LONG AS +APPROPRIATE ACKNOWLEDGEMENT+ INCLUDES AN INDICATION OF DATE OF ISSUE WE WOULD HAVE NO OBJECTION TO N & C USING THIS REPORT AS BACKGROUND TO THEIR CURRENT PAPER.

2. PARA 7 OF SUMMARY RECORDS A DISAGREEMENT WHICH NO LONGER APPLIES. SHOULD BE GRATEFUL THEREFORE IF WORDS +THE BRITISH POLITICAL DEPARTMENTS CONSIDER THAT+ COULD BE DELETED BEFORE REPORT IS GIVEN WIDER DISTRIBUTION.

ENDS

DISTRIBUTION:-

JIC (LIMITED)

F.R.

SECRET

JIC Reg. 10

(This did not actually go to Sir Burke, but he has seen it, & various parts of this were included in the P.M's brief).

H. 9/10.

SIR BURKE TREND

BRIEF ON SOVIET AND CHINESE ACTIVITIES
IN THE INDIAN OCEAN AREA

E No. 913/1

1. You asked me to produce a brief on this subject which could be handed to President Nyerere if it was thought advantageous to do so. The attached brief has been designed for this purpose and contains no classified material. It has, however, been labelled secret since it might otherwise fail to carry conviction.

2. The views of the JIC are set out in another report on Soviet Activity in the Indian Ocean Area of January 1970 (JIC(A)(69) 33). More recently we have produced a paper entitled "Recent Soviet Naval Developments" for Ministerial use at the time of President Nixon's visit. These two papers contain the views of the intelligence community on the Soviet threat. The Soviet threat to Western interests in the Indian Ocean area is not at present very great and is certainly not on the scale of the threat in the Mediterranean and the Middle East. As I previously pointed out to you there is a tendency in some quarters to exaggerate the Soviet threat in the Indian Ocean at any rate as it exists today and especially in comparison with some of the Soviet threats elsewhere. The attached brief for President Nyerere is designed to go to the limit of emphasising the Soviet threat without actually violating our objective judgement but it should not in any way be seen as replacing the previous views of the intelligence community intended for UK eyes only.

J A Thomson

J A THOMSON

7 October 1970

SECRET

The Soviet and Chinese Threats to the
Countries and Trade Routes of the Indian Ocean Area

The Soviet Union and China have recently begun to expand their efforts and influence in the countries around the Indian Ocean, and the Soviet Union is supporting these efforts by the maintenance of a fleet in the Indian Ocean. This paper considers Russian and to a much lesser extent Chinese activities in the Persian Gulf and the Red Sea as well as the countries bordering the Indian Ocean itself.

Overall Soviet Strategy

2. While the Chinese effort is significant and is directed at one or two key points, it is in total still small. However, given the fundamental Sino-Soviet rivalry, the Russian activities are likely to stimulate the Chinese to expand their efforts. The Soviet effort is apparently still expanding and it is not yet possible to say how much further it will grow or even whether the Russians are proceeding in accordance with definite planned goals. It is, however, clear that the Soviet activities in the Indian Ocean area are part of overall Soviet strategy. Together with such developments as the reported nuclear submarine base in Cuba, the recent attempted interference in the Berlin air corridors, and above all the enormous Russian build-up in the Mediterranean their activities in the Indian Ocean area are intended to expand Soviet influence with the ultimate object of securing that the countries of the area are controlled by regimes linked with Moscow. At the same time the expansion of Soviet influence is designed to put pressure on Western interests, and if the opportunity offers, to damage them. Realising that the US faces serious problems and sensing that it may be possible to split the West (eg the new Soviet policy towards Germany) the Russians are probing all over the world not only to strengthen their own position but to explore the limits of Western tolerance.

3. Soviet activities in the Mediterranean are of particular significance not only because of their size (eg there are well over 10,000 Russian troops in the UAR to say nothing of those in Syria and Iraq: the Soviet fleet in the Mediterranean is

maintained at an average of 16 surface combat vessels and 10 submarines) but also because it is in the nature of a challenge to the West in an area in which hitherto the Soviet Union had not expressed great interest. Indeed the risks of a military confrontation between the US and the USSR in the Middle East are as high as anywhere in the world. The Russian invasion into the Indian Ocean - an area in which they had until recently not expressed much interest - is part of the same overall Soviet strategy. It would be imprudent to assume that the situation which has been created in the Mediterranean with the threat to the southern flank of NATO, to Western shipping, to Western interests in the Arab country and to the strategic balance between the US and the USSR will not be further extended into the Indian Ocean area with parallel consequences.

4. The Suez Canal constitutes a particular link between Soviet policy in the Mediterranean and Soviet policy in the Indian Ocean. If and when the Canal is re-opened it will greatly facilitate the deployment of Soviet naval vessels in the Indian Ocean area. The possibility of this is one of the several reasons which suggest that Soviet power in the area may still be some way from reaching its planned limit.

Soviet Naval Deployment in the Indian Ocean Area

5. Before the deployment in September 1967 of ships in support of the space programme, there had been no Soviet naval activity in the Indian Ocean (apart from occasional visits by survey ships and warships in transit). Combatant warships were first deployed to the area in the sprint of 1968 and since then the Soviet Union has maintained a virtually permanent, although varying, naval presence. At its peak this year it consisted of a cruiser, three destroyers, five submarines (one nuclear) a submarine depot ship, and supporting vessels.

6. It is not only the fact that there is now always a number of Soviet vessels in the area which indicates that the Soviet naval presence is intended to be permanent. An anchorage with permanent bouys has been laid in international waters off the Seychelles. A special interest is being taken in Socotra at the mouth of the Red Sea and in the naval and air facilities

at Aden. The Russians have visited a large number of ports in the area including the Red Sea and the Persian Gulf. They are making a regular habit of demonstrating a naval presence.

7. Since there are no Western strategic strike forces in the Indian Ocean, the Soviet naval presence there clearly does not serve a defensive requirement. The nearest Soviet naval base from which most of the operations in the Indian Ocean area are conducted is several thousand miles distant, at Vladivostock. In short it is evident that there is no sound purely naval reason for the Russians to maintain a permanent presence in the Indian Ocean; rather it signifies the hope of achieving some special advantage.

8. It is conceivable that the Russians may contemplate in some future crisis interfering with non-Communist shipping in the Indian Ocean area. If such interference were to occur, it would be very serious, not only in terms of the extreme international tension which would at once be generated, but also because of the vital importance to the West and indeed to other countries in the area of the Indian Ocean shipping lanes. Some 60 per cent of West Europe's oil comes from the Middle East via the Cape. In addition about 30 per cent of the United Kingdom's overseas trade is transported via the Cape route.

9. It would be fruitless to speculate on precisely the circumstances in which the Russians might interfere or threaten to interfere with non-Communist shipping, or about the methods they would use. However it is not necessarily to be assumed that the Russian capabilities should been seen only in terms of avowed combatant ships and naval support facilities. It is striking that in recent years the Soviet fishing fleet has extended its activities in the Indian Ocean. Since 1963/64 the Soviet Union has concluded fisheries agreements of varying scope (sometimes incorporated into wider aid agreements) with India, Pakistan, Ceylon, Indonesia, Mauritius, Somalia, the UAR, Sudan, Tanzania, Iraq, Kuwait, Yemen and South Yemen.

These fisheries agreements usually provide the Russians with docking rights, access to bunkering and supply and repair facilities, etc, in the ports of the countries concerned.

10. If the Russian activities in the Indian Ocean are extended, the threat to non-Communist shipping could become a potentially serious affair. But the main Soviet threat relates to the countries of the area more than to the sea lanes. We doubt whether at this stage the Soviet Union has precise plans, but it is rapidly acquiring the capability to take advantage of any opportunities which may arise and even in certain circumstances to create opportunities for the expansion of Soviet and Communist influence. It goes without saying that the Russians are attempting to influence the governments and peoples of the area. This need not necessarily be seriously damaging to British interests. Although most Russian aid is given for concrete political and commercial reasons, some of it is infact beneficial to the recipients. But the Russians are not slow to exploit the political or economic difficulties of various countries to improve their own political position at the expense of the West. Nigeria and the Sudan provide recent examples of such Soviet moves. But it seems probable that in the long run they intend to go further than that and in favourable circumstances to use the influence which they are now building up to forward subversive movements with the object ultimately of changing the form of government in a number of countries in the area. It is noticeable that political upheaval in less developed countries has as a matter of history attracted almost immediate Soviet interest and aid, followed quite often by military penetration and sometimes subversion. Soviet naval strength seems designed to support this objective first by creating a general impression that Russia has the ability to intervene successfully in the affairs of the various countries concerned, and secondly, when opportunity offers, actually to do so. In the following paragraphs we mention very briefly some (but not all) of the Soviet activities in a number of countries in the area.

11. Russian influence is limited though they can be expected to try to improve their position in order to counter the Chinese who regard Tanzania as one of their successes. China has achieved considerable influence with the armed forces of Tanzania and has taken over the training of the Tanzanian Air Force from the Canadians. The Chinese participation in the TanZam Railway is the largest Chinese undertaking in Africa. Despite the steadily increasing Chinese presence both in Zanzibar and on the mainland, the Tanzanian Government have reservations about Chinese activities and motives.

Kenya

12. The Kenya Government have found it necessary to expel a number of Russian diplomats in recent years and Kenyan relations with China are worse. This is due to attempts by the Chinese to interfere in Kenyan affairs and particularly to their support for the banned opposition party (the Kenyan Peoples' Union).

Somalia

13. The Russians have undertaken considerable military and economic programmes in Somalia including port development and the training and equipping of the Somalia armed forces. Soviet influence has increased somewhat since the military coup in 1969.

Sudan

14. Under an agreement signed in 1968, the Sudan acquired a large amount of Soviet military equipment including T-55 tanks, artillery, fighter aircraft, helicopters, and SA-2 air defence missiles. Since May 1969 she has obtained further Soviet equipment and the Sudanese army was reorganised on Soviet lines. Port Sudan now appears to be defended by SA-2s. The Sudanese Government contains a number of avowed Communist ministers.

Yemen Arab Republic

15. The Soviet Union supplied substantial quantities of military equipment including aircraft, and the Yemenis also obtained some Soviet equipment left behind by Egyptian forces. In the last 18 months however little new Soviet equipment has been supplied.

PRSY

16. The PRSY armed forces are dependent on Soviet equipment. The Russians have supplied advisors and technicians (totalling about 120) and have helped train the PRSY air force on Soviet aircraft. Russian naval and merchant vessels call at Aden port. The Soviet Bloc also provided substantial economic assistance. The PRSY National Front leadership maintains ideological links with both Moscow and Peking. The balance in the NF is thought to be tipped somewhat in Soviet favour, though the planned visit of Chou En-lai to Aden is an indication of the continuing close links with China, which has apparently made substantial loans to PRSY.

Dhofar

17. Both the Soviet Union and China have provided assistance to the Dhofari rebels. The Russians have sent a substantial amount of military equipment which is channelled through PRSY, and have given token financial support to PFLOAG. The Chinese have provided arms and also sent some instructors to train the rebels: there are probably now about 5 Chinese instructors at the border camp at Hauf in PRSY.

The Persian Gulf

18. Soviet activities in the Persian Gulf are discussed at greater length elsewhere. It is sufficient here merely to note an increasing Soviet interest in the Gulf symbolised by important naval visits. The main Soviet base for activities in the Gulf is likely to be Iraq. The Soviet Union is constructing extensive military facilities in Iraq, it undertakes the training

of important parts of the Iraqi armed forces and it is supplying the Iraqi Navy with ships fitted with guided missiles.

Pakistan

19. The Russians supply arms to Pakistan, largely in order to counter Chinese influence, but their interest in it is less than in India.

India

20. The Soviet Union has an important stake in India, which is the world's largest recipient of Soviet economic aid and the second largest recipient of Soviet arms, including submarines and support ships. There is a small Soviet naval mission at Vishakapatnam, where they are helping with the construction of an Indian naval base, but the Indians would probably be sensitive about granting the Russians anything which could be represented as a Soviet base.

Ceylon

21. The Russians have no known facilities in Ceylon. The recent change of government, which has brought in a coalition including pro-Moscow Communists, could make it easier to obtain them if they wanted, though the Ceylonese would be anxious not to upset the Chinese.

Maldives

22. A mild Soviet interest in the Maldives has been apparent for some years, and the Soviet Ambassador in Colombo has made two visits there in recent years.

Malaysia

23. The Russians have established relations with Malaysia and are cultivating the Malaysian Government (as well as trades unionists, etc) in an effort to counter Chinese influence in the area. No question of strategic facilities has however arisen.

Singapore

24. Singapore, like Malaysia is being cultivated by the Soviet Union, and her Prime Minister has recently visited Moscow. There are unconfirmed reports that a dockyard in Singapore may be negotiating to repair Soviet trawlers, and the Singapore Government would be unlikely to object to such a development.

Indonesia

25. The recently concluded agreement between the Soviet Union and Indonesia on debt rescheduling may help to patch up relations between the two countries, and the resumption of Soviet aid will probably result in the reappearance of a small Soviet civilian presence in Indonesia. But the Indonesian Government remain suspicious of Soviet activities.

Mauritius

26. The Russians have been showing considerable interest in Mauritius for about two years, and the various requests for facilities which they have made to the Mauritian Government indicate that they consider the Island of considerable strategic importance. The Mauritians, though they say they intend to refuse the Russian requests for satellite tracking and astronaut rescue facilities, have recently signed an agreement granting the Russians facilities for their fishing vessels. The social structure and internal political conditions of Mauritius provide an opening for Soviet interventions.

Socotra

27. Socotra is nominally a part of PRSY but its distance from the mainland and its geographical position make it very suitable for the provision of self-contained naval and air facilities. The Russians are at present refurbishing the ex-British facilities on the Island and although we do not know the full details, the substantial number of Soviet ships which have recently gone to Socotra, and their type, suggest that major Soviet installations may be about to be established there.

Possible Soviet Naval Bases

28. It is evident from developments elsewhere in the world that the Soviet Union has in practice abandoned itself to a "no foreign bases" policy. She can therefore be expected to seek bases in the Indian Ocean area. Mauritius, Aden, Socotra and Berbera seem to offer the best chances. Singapore has offered facilities on an "open port" basis and the change of Government in Ceylon may contain the prospect of some naval advantages.

Confrontation with the West

29. It is too soon to state positively that there will be a major confrontation between the Soviet Union and the West in the Indian Ocean area, such as has already occurred in Europe, the Mediterranean and the Middle East. It does however seem more than possible that the Russians are bent on expanding their influence in the area even further than at present. Given this new challenge and the prospect of damage to Western and other interests which it contains, it is evident that we may be seeing the early stages of an escalating situation.

7 October 1970

9

E.R.

SIR BURKE TREND

cc Sir Dick White
Sir Robin Hooper

Soviet Policy in the Middle East and
in the Indian Ocean

913/1

copy to 7cc

I am getting a considerable number of requests from different parts [illegible] Whitehall for assessments of one sort or another on Soviet policy in [illegible] Mediterranean, the Middle East, and the Indian Ocean. Naturally [illegible] on answering the questsions we are asked but it may be interes[illegible] have some assessment from me on a personal basis about the [illegible] questions reveal in Whitehall. I have no policy axe to grind an[illegible] I can, I speak from an objective assessment of the evidence avai[illegible]

Date

My conclusion in brief is that too much emphasis is being laid o[illegible] Ocean in comparison to the Eastern Mediterranean and the Middle Eas[illegible] reasons are as follows.

The Indian Ocean has suddenly become a fashionable subject in Whi[illegible] the Press (vide the turnover article in today's 'Times'). However, [illegible] new development and certainly nothing surprising has happened ther[illegible] The JIC over the last 2½ years has reported developments in the Ind[illegible] with some regularity and objectively it is not clear why our reader[illegible] now appear to be so much more exercised that it was a year ago. [illegible] little to add to the JIC Report of January this year (Soviet Activi[illegible] Indian Ocean Area - JIC(A)(69) 33(Final)). On the other hand a great [illegible] prime significance in the development of the Soviet position in the [illegible] Mediterranean and the Middle East has occurred during 1970. The deve[illegible] have been so striking that they have compelled us in good conscience [illegible] re-examine fundamental premises, some of which have been held for a great [illegible] many years. Above all we have thought it right on our own initiative to re-examine the judgment that the Soviet Union will aim to avoid [illegible] in any situation which involves a real risk of escalating into nuclear [illegible] the United States. I am glad to say that our re-assessment confir[illegible] view that this continues to be the case. Nevertheless it is a measure o[illegible] gravity of the Soviet moves in the Middle East that such questions ha[illegible] to be seriously reconsidered.

E.R.

In the Indian Ocean as in many other parts of the world, the Russians are belatedly taking advantage of the freedom of the seas and of the air to establish a new position of strength. At present its position is not in fact a very strong one, and contrary to some Press reports, it has not grown rapidly in the last several months. In fact, as the JIC report says, "at its present level, the Soviet naval presence in the Indian Ocean does not constitute a serious threat in purely military terms". The position of strength which the Soviet Union is building up is more to be seen in terms of political influence, supplanting or undercutting the West, and crisis management. The Russians are trying to win friends and influence people; they are trying to make sure that their views cannot be left out of account in major questions concerning the Indian Ocean area; they are hoping to persuade people to respect them more than the West; they are probably also hoping that in some future undefined crises they may be able to put the onus on the West for taking any escalatory step. In addition, the Russians have a growing merchant marine stake in the area (although it may not continue to grow at its recent rate). On the average, a Soviet merchant ship passes the Cape almost every day of the year. In other words the Soviet Union is developing towards the sort of position which Britain had in the area 20 years ago - but it is doubtful whether they can establish such a strong position as this and in any case it is highly vulnerable in time of war.

At a venture I would say that the best way of countering the Soviet activities in so far as they threaten our interests, would be a combination of diplomatic and military means. Diplomatically we too must win friends and influence people. Militarily we should maintain in the Indian Ocean area a small naval force comparable or preferably a little larger than the present small Russian force. The diplomatic and the military moves should of course be designed to complement each other. Naturally you don't get something for nothing, and some expenditure would be involved.

In the Middle East the political situation is much more tense, and the Russians are taking steps which have offensive implications in the military sense. These are probably designed inter alia to deter potential Western or even Israeli action, but there can be no doubt, unless the US loses its nerve, that they would immensely increase the seriousness of any accidental clash that could occur between the US and the USSR in the area, and on balance

E.R

it is my view that they also somewhat increase the chances that such a clash might occur. The chances of such a clash occurring are slight, but I must point out that they are greater than they were a year ago, and that the consequences could be momentous.

Short of this potentially extreme, but not very likely situation, British interests are liable to serious injury through the development of the Arab/Israel struggle. While this is in its present intense phase (and still more if it was to escalate), the Russians are provided with the ideal circumstances in which to expand their influence - and as I have said, their military position - at the expense of the West. In addition, major British interests throughout the Arab world, above all oil and the sterling balances, are at a high degree of risk if there is suspicion on the Arab side that we are unduly favouring Israel - and suspicion is something of which the Arabs have a great deal. Nor can we be certain that the Arabs will not to some extent damage their own interests in order to damage British interests.

I conclude that it is very much in British interests to secure a settlement on the basis of the UN Resolution. In saying this I am fully aware that such a settlement would almost inevitably mean the re-opening of the Suez Canal with consequent benefit to the Soviet position in the Indian Ocean. Nevertheless it is my judgment that on balance the benefits to British interests of defusing the Arab/Israel situation and reducing the opportunities for the Soviet Union to exploit it, outweigh the disadvantages of facilitating Soviet naval activities in the Indian Ocean.

J A THOMSON

15 September 1970

8 F

SECURITY WARNING

1 Category 'A' Cypher telegram. Paraphrase NOT require

2 [illegible] nce to any [illegible]
[illegible]

The [illegible]
must be consulted if it is desired to distribu[illegible]
part of it, to a person or nation who would [illegible]
receive it.

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FROM:- CINCFE DTG 0725 (GMT) 27.7.70.
TO:- JIC LONDON TOR 0037 (GMT) 27.7.70.
TELNO:- JICFE 55
DATED:- 27TH JULY, 1970.
PRIORITY

S E C R E T ++U.K. EYES ONLY++

FOR SECRETARY JIC FROM CHAIRMAN JIC(FE).
YOUR JICTEL 504. BRIEF ON SOVIET ACTIVITIES IN THE INDIAN OCEAN FOR INT 16M.

1. AS INT 16M WILL BE THE FIRST TIME THAT THIS SUBJECT WILL HAVE BEEN CONSIDERED BY THE SEATO INTELLIGENCE COMMITTEE IT IS NOT KNOWN WHAT FORMAT WILL BE USED IN DRAFTING A SECTION ON IT. MOST PROBABLY IT WILL BE ON SIMILAR LINES TO THE ASSESSMENTS IN SECTION II OF ANNEX A TO THE REPORT OF INT 15M.

2. OUR AVAILABLE INFORMATION WAS PASSED TO YOU IN JICFE 47 OF 22 JUNE. WE SHALL NOT BE ABLE TO AMPLIFY THIS UNTIL WE HAVE SEEN A POSITION PAPER PRODUCED BY EITHER THE US OR AUSTRALIAN AUTHORITIES SO THAT WE KNOW THE LINES THEY INTEND TO TAKE. IT IS HOWEVER POSSIBLE THAT POSITION PAPERS MAY NOT BE AVAILABLE UNTIL THE ACTUAL MEETING.

3. A LONG BRIEF IS NOT REQUIRED AND ITS GRADING SHOULD NOT BE ABOVE SECRET. IT SHOULD BE SO DRAFTED THAT THE UK DELEGATION CAN TABLE EXTRACTS FROM IT AS MAY SEEM DESIRABLE AT THE MEETING. THE ESSENTIAL CONSIDERATIONS ARE THAT IT SHOULD INDICATE CLEARLY TO THE DELEGATION:-

(A) JIC(A)S EXACT MEASUREMENT OF THE PRESENT SIZE OF THE THREAT FROM SOVIET NAVAL ACTIVITY AND ITS LIKELY RATE OF GROWTH.

(B) THE EXTENT TO WHICH HMG ARE PREPARED TO REGARD SOVIET NAVAL ACTIVITY IN THE INDIAN OCEAN AS A PROPER SUBJECT OF CONCERN FOR SEATO.

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FO/A Reg 5 F

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FROM:- CINCFE DTG 0725 (GMT) 27.7.70.
TO:- JIC LONDON TOR 0037 (GMT) 27.7.70.
TELNO:- JICFE 55
DATED:- 27TH JULY, 1970.
PRIORITY

S E C R E T ++U.K. EYES ONLY++

FOR SECRETARY JIC FROM CHAIRMAN JIC(FE).
YOUR JICTEL 5[illegible]. BRIEF ON SOVIET ACTIVITIES IN THE INDIAN OCEAN FOR INT 16M. 4

1. AS INT 16M WILL BE THE FIRST TIME THAT THIS SUBJECT WILL HAVE BEEN CONSIDERED BY THE SEATO INTELLIGENCE COMMITTEE IT IS NOT KNOWN WHAT FORMAT WILL BE USED IN DRAFTING A SECTION ON IT. MOST PROBABLY IT WILL BE ON SIMILAR LINES TO THE ASSESSMENTS IN SECTION II OF ANNEX A TO THE REPORT OF INT 15M.

2. OUR AVAILABLE INFORMATION WAS PASSED TO YOU IN JICFE 47 OF 22 JUNE. WE SHALL NOT BE ABLE TO AMPLIFY THIS UNTIL WE HAVE SEEN A POSITION PAPER PRODUCED BY EITHER THE US OR AUSTRALIAN AUTHORITIES SO THAT WE KNOW THE LINES THEY INTEND TO TAKE. IT IS HOWEVER POSSIBLE THAT POSITION PAPERS MAY NOT BE AVAILABLE UNTIL THE ACTUAL MEETING.

3. A LONG BRIEF IS NOT REQUIRED AND ITS GRADING SHOULD NOT BE ABOVE SECRET. IT SHOULD BE SO DRAFTED THAT THE UK DELEGATION CAN TABLE EXTRACTS FROM IT AS MAY SEEM DESIRABLE AT THE MEETING. THE ESSENTIAL CONSIDERATIONS ARE THAT IT SHOULD INDICATE CLEARLY TO THE DELEGATION:-

(A) JIC(A)S EXACT MEASUREMENT OF THE PRESENT SIZE OF THE THREAT FROM SOVIET NAVAL ACTIVITY AND ITS LIKELY RATE OF GROWTH.

(B) THE EXTENT TO WHICH HMG ARE PREPARED TO REGARD SOVIET NAVAL ACTIVITY IN THE INDIAN OCEAN AS A PROPER SUBJECT OF CONCERN FOR SEATO.

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FM:- J[illegible] [illegible] GMT) 24.7.70.

TO:- CIN[illegible]

INFO:- B.E [illegible]

TELNO:- JICTE[illegible]

DATED:- 24TH [illegible] 70.

PRIORITY

913/1

S E C R E T [illegible] ONLY

FOR CHA[illegible] [illegible] SRY [illegible]

REFERENCE [illegible] CLEAN, FOR

SEATO 16 [illegible] [illegible] MENTS STAFF

REQUEST [illegible] APPROV[illegible] [illegible] REQUIRED.

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SOVIET ACTIVITY IN THE INDIAN OCEAN

J931

1. In a recent signal (see JIC(A)(70)(SEC) 117 of 24 June) the Chairman JIC(FE) suggested that it would be preferable for the Assessments Staff to prepare a brief on Soviet activity in the Indian Ocean for the UK delegation to SEATO INT 16M in September rather than JIC(FE) since technically the Indian Ocean is outside the SEATO area. The JIC(A) have agreed that the Assessments Staff should undertake this task, drawing as much as possible on the recent JIC(A) report JIC(A)(69) 33.

JIC(A)(70) 27th Mtg. Item 6

2. In its present form it is considered that the above report covers too much ground for the SEATO requirement; Agenda Item A is "an assessment of the threat to the treaty area" and contains the phrase "including consideration of Russian encroachment in the Indian Ocean and its effect on the western flank of the SEATO area". It is suggested, therefore, that the brief should be limited to the littoral countries from West Pakistan eastwards, and to the sea area of the Indian Ocean (including the islands) concentrating on the Soviet naval presence and those activities in which the Soviet Union is indulging (eg Mauritius, Socotra, Aden, and the chances of reopening the Suez Canal) which could lead to a change in its strength.

3. The brief in its final form is required by the end of August, but JIC(FE) would like to have a copy of the first draft as soon as possible. Accordingly addresses are asked, as a matter of urgency, to send to Group Captain P.T. Bayley, Cabinet Office, Room 239 by close of play on 23 July all the information necessary to up-date that contained in JIC(A)(69) 33 on the lines indicated in paragraph 2 above. In particular would DIS produce a new version of Annex A, a rewrite of Annex B, and amendments to Annexes C and D concerning the littoral countries involved. If Annex E requires any up-dating could this be put in hand also? Furthermore, if it is considered that any of the Conclusions require amendment would Departments forward their suggestions together with the supporting information. It is hoped that the brief can be classified "secret". Departments are asked therefore, to indicate which passages in JIC(A)(69) 33 should be omitted or modified for SEATO use.

4. As soon as the necessary information is to hand a Preliminary Draft will be produced and circulated for comment. (Any comments that Departments have on the suggested contents of the brief outlined in paragraph 2 will be appreciated).

Signed P T BAYLEY

Cabinet Office SW1
17 July 1970

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D/DISS/E/1/57

913/1

Lt. Col. R.G.M. SIMSON,
Secretary, Inter-Departmental Intelligence Working Party,
Cabinet Office

FUTURE INTELLIGENCE ARRANGEMENTS IN THE INDIAN SUB-CONTINENT
Reference [illegible] of 6th [illegible]

In accordance with paras 1 and 2 of [illegible] I find attached for information, a copy of the letter which Division sent to Ministry of Defence representatives in the field.

E.M. SMITH.
DISS/E/1
Room [illegible] Ext [illegible]

11 May 1970

Nothing
SECRET

MINISTRY OF DEFENCE
DEFENCE INTELLIGENCE STAFF
Main Building, Whitehall, LONDON S.W.1
Telephone: 01 930 7022, *ext.*

Please address any reply to
MINISTRY OF DEFENCE
DEFENCE INTELLIGENCE STAFF
(DMSI)

29 April 1970

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FUTURE INTELLIGENCE ARRANGEMENTS IN THE INDIAN OCEAN AREA

Reference: JIC(A)(70)(SEC)70

1. As a result of the increased activity of the Soviet Union in the Indian Ocean area, a JIC Working Party was set up to examine ways and means of improving our intelligence gathering capability.

2. Their report has been approved and I forward it herewith for your action where possible. I should add that your civilian colleagues are being similarly advised.

Director,
Management and Support of
Intelligence.

JIC(A)(70)(SEC)70

INTELLIGENCE REQUIREMENTS AND COVERAGE OF SOVIET ACTIVITY IN THE INDIAN OCEAN AREA

Increased Soviet activity particularly naval in the Indian Ocean area has taken place during the past year.

The Existing Intelligence Requirements

2. There is a long-standing high priority requirement for coverage of Soviet fleet activities throughout the world.

3. There is also a long-standing high priority requirement to study Soviet penetration of all sorts in the Indian Ocean littoral.

4. There is a similar requirement in respect of Chinese activity in this area.

Current Deployment and Coverage

5. Our present intelligence deployments in the area permit some coverage of Soviet activities throughout the area but only limited coverage of Soviet fleet and air movements. It is not possible at the current level of United Kingdom deployments to provide complete and detailed coverage of these movements in the area in timely fashion.

Possibilities of Fuller Exploitation of Existing Resources

6. The following measures can be taken without significant increases in expenditure or deployment:

a. Further exploitation of merchant shipping reporting capacity, including the use of speedier communications.

b. Maximum attention being given to the subject by all British representatives in the area, diplomatic, consular, MI6 and Service Attachés.

c. An increased effort by all British resources in Mauritius, diplomatic, military, Special Branch, to monitor Soviet attempts to establish a foothold in that territory and Mauritian reactions to them.

7. These measures will not, however, meet the total requirement and will certainly not enable us to follow the movements of the Soviet fleet in timely fashion although they should give us adequate information on Soviet intentions on shore.

8. The only means of achieving full and timely coverage of Soviet movements in the Ocean area would be through the deployment of further resources for Direction Finding by GCHQ and their allies. Although it can be confirmed that the requirement is important it has not yet been established that it is of sufficient priority to justify the necessary redeployment of United Kingdom Sigint resources, which are already fully engaged on high priority targets in other areas. The situation will, however, require a careful watch in future.

9. Our recommendations, therefore, are:

a. That all United Kingdom representatives in the area should be asked to give high priority to coverage of Soviet penetration in the Indian Ocean littoral.

b. The GCHQ should be invited to continue their dialogue with their allies about Direction Finding coverage of the area.

c. This gap in our intelligence coverage should be kept under constant review with the object of ensuring that Soviet activities are monitored as effectively as possible.

d. GCHQ should be invited in conjunction with the Ministry of Defence to consult the Foreign and Commonwealth Office on the desirability of an approach to the South African intelligence authorities for assistance on this subject.

e. All Departments and Agencies should be invited to make full use of their assets in Mauritius to monitor Soviet activities.

f. The Working Party should reconvene before the end of the year to consider developments.

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